



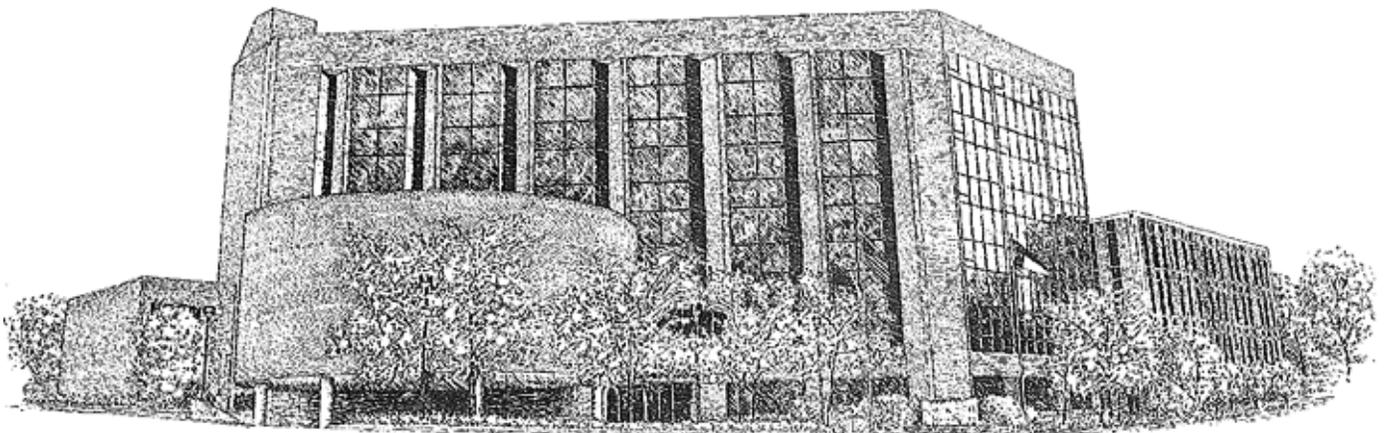
Official Agenda

RALEIGH CITY COUNCIL

Nancy McFarlane, Mayor
Kay C. Crowder, Mayor Pro Tem
Mary-Ann Baldwin
Corey D. Branch
David N. Cox
Bonner Gaylord
Russ Stephenson
Dickie Thompson

WEDNESDAY, APRIL 6, 2016
1:00 P.M. BUDGET WORK SESSION
CITY COUNCIL CHAMBER

Avery C. Upchurch Government Complex



222 West Hargett Street, Raleigh, North Carolina 27602

A. MEETING CALLED TO ORDER BY THE MAYOR**B. AGENDA****1. Agency Grant Recommendations**

Nancy Novell, Raleigh Arts Commission Chair
Michael Leach, Human Relations Commission Chair

Arts and human services grant recommendations will be presented by the respective commission chairs.

Council Action: Receive as information.

2. General Fund Major Revenue Update

Perry E. James III, Finance

Staff will provide City Council with updated projections for property tax, sales tax, and utility franchise tax revenues. The presentation will also include an update on the property revaluation process and related changes in the property tax base.

Council Action: Receive as information.

3. General Fund Update

Amber Smith, Budget & Management Services

Staff will provide City Council an overview of the FY2017 budget development process. The presentation will focus on the General Fund, including cost drivers, core service growth pressures, and next steps.

Council Action: Provide feedback on the City's operating budget priorities.

4. Five-Year Capital Budget Update

Ben Canada, Budget & Management Services

Staff will provide City Council an overview of the five-year Capital Improvement Program. The presentation will focus on the capital elements that rely on General Fund support and the City's general debt capacity.

Council Action: Provide feedback on the City's capital budget priorities.

5. Affordable Housing

Larry Jarvis, Housing & Neighborhoods

Staff will review the components of the Affordability Challenge and the City's historic funding and investment in affordable housing. The presentation provides a recap of the adopted Affordable Housing Plan and outlines funding options to implement the plan.

Council Action: Provide feedback on funding source options presented.



MEMORANDUM

April 6, 2016

TO: Mayor and City Council Members

FROM: Ben Canada, Interim Budget and Management Services Director

SUBJECT: April Council Budget Work Session

City Council will meet Wednesday, April 6, for the last of three budget work sessions for the FY2017 budget process. Wednesday's presentation will focus on the city's operating and capital budgets and affordable housing. In each presentation, staff welcomes feedback from Council Members about policy considerations and budget priorities. Our agenda includes:

- Agency Grant Recommendations
- General Fund Major Revenue Update
- General Fund Update
- Five-Year Capital Budget Update
- Affordable Housing

The enclosed packet contains the affordable housing presentation that will be shared next week as well as backup materials related to our housing policies and programs. It also includes additional materials related to the FY17 Agency Grants process. Please feel free to let me know if you have any questions in advance of the session.



MEMORANDUM

April 6, 2016

TO: Mayor and City Council Members

FROM: Kirsten Larson, Grants Program Administrative Manager

SUBJECT: FY17 Agency Grants – April Council Budget Work Session

The City of Raleigh provides grant funding to not-for-profit agencies through four primary grant categories: 1) arts, 2) human services, 3) community enhancement, and 4) other outside agencies. The City Council requires all outside agencies seeking financial support from the City to apply for grant funding through one of these four categories.

The city received grant requests seeking slightly more than \$2.2 million in the other outside agency grant category. Eight agencies in this category have historically received grant funding. Six of the applications received are new agency requests. Included with the agenda packet are a summary spreadsheet of all the other outside agency grant requests and the applications for the six new requests. Also included in the packet are the FY17 recommendations for arts, human services and community enhancement grants. During the April 6 budget work session, arts and human services grant recommendations will be presented by their respective commission chairs.

The final document included in the agency grant back- up is an agency grant funding summary which provides high-level agency funding information from previous adopted budgets, requests agencies have made for FY17 funding and recommendations from commissions or grants panels, where applicable.

Please feel free to let me know if you have any questions in advance of the work session.

Summary of Other Outside Agency Grant Funding Requests for FY17

	FY17 Funding Request	FY16 Adopted Amount	Difference FY16 to FY17	Grant Request as % of Prior Year Actuals (25% Policy)
Agencies - Recurring				
Economic Development Agencies				
Chamber of Commerce	170,000	170,000	-	2%
Downtown Raleigh Alliance	131,250	108,450	22,800	5%
Hillsborough Street CSC	133,000	125,513	7,487	23%
Southeast Raleigh Assembly	150,000	155,981	(5,981)	72%
Subtotal Econ Dev Agencies	584,250	559,944	24,306	
Other Agencies				
Catholic Charities	51,000	51,000	-	1%
DHIC	108,000	108,000	-	5%
Passage Home	100,000	90,000	10,000	3%
African American Cultural Fest	48,103	61,547	(13,444)	29%
Transitions LifeCare	62,500	62,500	-	0.2%
Subtotal Other Agencies	369,603	373,047	(3,444)	

	FY17 Funding Request	Grant Request as % of Prior Year Actuals (25% Policy)
Agencies - New		
Boys & Girls Club*	76,463	1%
Nessie Foundation**	180,000	581%
Advance Community Health	450,000	4%
The Daniel Center for Math & Science	25,000	12%
Triangle Family Services	50,000	2%
Food Bank of Central & Eastern NC	500,000	0.5%
Subtotal New Agencies	1,281,463	

Total Other Outside Agency Requests **2,235,316**

*With the FY16 budget, the City completed a 5-year commitment. The FY17 request is for new funding.

**25% policy calculation based on self-reported actuals.

**OTHER OUTSIDE AGENCY FUNDING
REQUEST APPLICATION
City of Raleigh
FY16-17
Applications Due: January 11, 2016**

Please complete application and submit online by selecting the submit button on the last page of the application

Attach the following with your request: Please combine the documents into a single .zip or .pdf file and upload when prompted at the end of this application:

- Annual Audit (if requesting more than \$25,000) or Board-Approved Financial Statement
- Current Board of Directors (roster, appointment process, attendance records, meeting schedule)
- 501(c)3 letter
- Scope of Work for grant funding requested in FY16-17

SECTION 1. IDENTIFYING INFORMATION

Organization Name: Wake Health Services, Inc. d/b/a Advance Community Health		
Program/Project: Expanding Access to Affordable Health Care for Raleigh Residents		
Amount of Funding Requested: \$450,000.00	Agency's Total Operating Budget (Current Fiscal Year): \$13,472,000.00	
Contact Person: Penny Washington	Title: Chief Executive Officer	
Contact Address: 1001 Rock Quarry Road		
City: Raleigh	State: North Carolina	Zip: 27610
Phone: (919) 250-2923	Fax: (919) 573-4723	
Email: pwashington@advancechc.org		
Alternate Contact: Adam Hartzell		
Phone: 919-573-0069	Email: ahartzell@advancechc.org	

SECTION 2. ORGANIZATIONAL OVERVIEW AND MISSION STATEMENT

Organizational Overview (who you are and what you do):

Advance Community Health, previously Wake Health Services, Inc., has been providing quality, affordable health care to the under-served for more than 40 years. With an exciting \$13 million expansion project in Southeast Raleigh, this non-profit will expand services to an additional 10,000 residents and spark further community investment.

Mission:

Advance delivers quality, compassionate primary healthcare –every patient, every time –in response to the needs of our communities. As a not-for-profit community health center (CHC), it provides a patient-governed, patient-centered health care home that integrates medical, dental, behavioral health, pharmacy and support services without regard to a person’s ability to pay.

SECTION 3. FUNDING AND BACKGROUND INFORMATION

Briefly describe the program for which funding is being requested. Support is being requested for capital expansion in Southeast Raleigh that would: 1) fund a portion of a new \$13 million medical building; and 2) match funds from the county and private funders.

What value does this program add to the community?

Advance serves 25,000 patients. About 90% of its current patients live in poverty and lack adequate insurance. In the six zip codes surrounding Southeast Raleigh, it is estimated that nearly 100,000 residents are without a Primary Care Physician. This means that when they get sick, they are utilizing emergency rooms or going without care at all. One quarter of Wake County’s residents live at or below 200% of the Federal Poverty Level. In Southeast Raleigh, that number jumps to more than 35%. The new state-of-the-art facility will expand capacity for high quality healthcare to more than 10,000 people. With an average of 2.8 visits per year, that will result in nearly 28,000 patient visits with a doctor.

Describe why City funding is needed for this program.

This project is only possible because of a unique public/private partnership that has brought together a consortium of national lenders. The lender group invested in this project in anticipation of support from local government, private foundations and individual donors. The City’s support will be specifically utilized to help match grants from Wake County (\$450,000) and The A.J. Fletcher Foundation (\$200,000) and thus pay down a bridge loan utilized for construction of the building. This loan is under an accelerated time frame for repayment. The City’s support would assure the match is met within the stipulate deadline.

Has your agency been funded in the past by the City of Raleigh?

Yes No

If so, please include a funding history for the most recent three years.

FY13-14 \$0.00 FY14-15 \$0.00 FY15-16 \$30,000.00

Is the request to fund a one-time expenditure or to fund an intended recurring program or service?

One-Time Recurring

If intended as a recurring program or service, explain and quantify the recurring cost.

Describe how, if at all, you coordinate your services with other organizations in the area. Specify the involved organization(s) and the nature of the relationship.

Advance Community Health is a valued partner to several organizations throughout the community including Wake County Human Services, Community Care of Wake & Johnson County, Monarch Behavioral Health, WakeSmiles dental services, Person Street Pharmacy, and Laboratory Corporation of America. This includes co-locating services, providing referrals, connecting patients to various service programs, participating in outreach activities, sharing information and meeting regularly to identify unmet needs and to act innovatively to create health care solutions. Advance also works cooperatively with the 3 major hospitals and several of the health related non-profits to meet the unmet needs of the region’s residents. Significantly, in the fall of 2015, Advance entered a new partnership to secure the healthcare needs of under-served elderly patients. Under the leadership Dr. Leroy Darkes of Rex Health Care, the Senior Health Center is now located at Advance’s southeast Raleigh location.

SECTION 4. ASSOCIATION WITH CITY STRATEGIC PLAN AND MEASURABLE RESULTS

In April 2015, the Raleigh City Council adopted a citywide strategic plan with six key focus areas (Arts & Cultural Resources; Economic Development & Innovation; Growth & Natural Resources; Organizational Excellence; Safe, Vibrant & Healthy Communities; and Transportation & Transit). Non-profit funding requests should align with key focus areas in the City's Strategic Plan. View Raleigh Strategic Plan

Select which Key Focus Area(s) your program addresses:	
<input type="checkbox"/>	Arts & Cultural Resources
<input type="checkbox"/>	Growth & Natural Resources
<input checked="" type="checkbox"/>	Safe, Vibrant & Healthy Community
<input checked="" type="checkbox"/>	Economic Development & Innovation
<input type="checkbox"/>	Transportation & Transit
<input type="checkbox"/>	Organizational Excellence
<input type="checkbox"/>	Not Applicable

Provide a brief explanation about how your funding request helps the City achieve objectives in the Key Focus Area(s) selected above.

This project is part of a significant effort to revitalize the Rock Quarry Road corridor by investing in the people that help build and support healthy community. It will enhance property values, support thousands of families from birth through retirement, add more than 50 good-paying jobs, and serve as an innovation hub through training, outreach and collaboration.

Measurable Results – Program Goals

How do you measure the effectiveness of your organization's program efforts? Using the table below, outline the program goals for the funding your agency is requesting in FY16-17 (one row per measure). If your agency received city grant funding in FY15-16, and the agency is seeking continued funding in FY16-17, include the goals and measures from the agency's FY15-16 application and actual performance results-to-date.

Stated Program Goals	Program Activities in Support of Goals	Anticipated Results for FY16-17	FY15-16 Target	FY15-16 Actuals-To-Date
<i>Example: 80% of after-school attendees will not be re-suspended</i>	<i>Counselor meets with students, as the first contact, for students referred for minor infractions.</i>	<i>Out of 100 students participating in the program, 90 remained in good standing with the school system. 90% result -above goal</i>	<i>87%</i>	<i>85%</i>
Exam rooms will increase to 46 from 31, and treatment rooms will increase to 3 from none.	Facilities will be expanded, outfitted and become operational.	46 new exam rooms and 3 treatment rooms will come on-line in 2016.		
A board room, training center, and meeting spaces will be available for collaboration.	Facilities will be expanded and outfitted and the community will be invited to participate in new programming.	Not less than 12 community events will be held with 200 people participating.		
The Senior Health Center will be operational within a dedicated space.	Facilities will be expanded and outfitted and services will be branded and marketed to seniors.	Not less than 800 seniors will receive services as part of the in 2016.		

SECTION 5. AGENCY AND PROGRAM BUDGET DETAILS

Provide total expense and revenue budget information for the *entire agency*, including all programs and funding sources in the first three columns. In the last column, provide the amount requested from the City for the specific program. For purposes of this application, the budget information provided should coincide with the City’s fiscal year, July 1 through June 30.

Personnel Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 AGENCY PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Salaries	\$8,616,527.00	\$8,990,450.00	\$9,290,874.00	\$0.00
Merit				\$0.00
Benefits	\$1,468,430.00	\$1,680,045.00	\$1,867,910.00	\$0.00
Total Personnel Expenses	\$10,084,957.00	\$10,670,495.00	\$11,158,784.00	\$0.00

Operating Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Communications (e.g. publishing, marketing)	\$32,500.00	\$39,600.00	\$40,000.00	\$0.00
Travel & Training	\$28,025.00	\$28,440.00	\$30,000.00	\$0.00
Facilities (e.g. rent, utilities)	\$1,498,209.00	\$1,305,000.00	\$1,305,000.00	\$0.00
Technology	\$782,023.00	\$798,034.00	\$810,500.00	\$0.00
Other	\$1,045,381.00	\$1,157,231.00	\$1,071,516.00	\$450,000.00
Total Operating Expenses	\$3,386,138.00	\$3,328,305.00	\$3,257,016.00	\$450,000.00
Total Expenses	\$13,471,095.00	\$13,998,800.00	\$14,415,800.00	\$450,000.00

Total Revenues (excluding funding from either the City or Wake County governments)

	FY14-15 ACTUALS	FY15-16 BUDGET	FY16-17 PROJECTED BUDGET
Government Grants & Funding	\$3,307,087.00	\$3,700,100.00	\$3,900,500.00
Foundation Grants & Funding	\$420,036.00	\$440,200.00	\$475,000.00
Donor Contributions	\$185,479.00	\$240,000.00	\$295,000.00
Service Fees	\$8,972,117.00	\$9,010,000.00	\$9,100,000.00
Other Revenue	\$586,376.00	\$608,500.00	\$645,300.00
Total Revenues	\$13,471,095.00	\$13,998,800.00	\$14,415,800.00

Indicate the amount of total funds received from Wake County, if applicable, for each fiscal year listed below.

Fiscal Year	Total Funds
FY14-15	\$0.00
FY15-16	\$0.00
FY16-17 (as requesting)	\$450,000.00

Preparer's Name: Adam G. Hartzell

Preparer's Signature:

Adam G. Hartzell
eSigned via SeamlessDocs.com
 Key: 438f4abd9b176e0d26fa145bc1c6428b

Date Signed:

01/08/2016

**OTHER OUTSIDE AGENCY FUNDING
REQUEST APPLICATION
City of Raleigh
FY16-17
Applications Due: January 11, 2016**

Please complete application and submit online by selecting the submit button on the last page of the application

Attach the following with your request: Please combine the documents into a single .zip or .pdf file and upload when prompted at the end of this application:

- Annual Audit (if requesting more than \$25,000) or Board-Approved Financial Statement
- Current Board of Directors (roster, appointment process, attendance records, meeting schedule)
- 501(c)3 letter
- Scope of Work for grant funding requested in FY16-17

SECTION 1. IDENTIFYING INFORMATION

Organization Name:Boys Club of Wake County, Inc. d/b/a Boys & Girls Clubs		
Program/Project:Boys & Girls Clubs Nutritious Futures Program		
Amount of Funding Requested: \$76,463.00	Agency's Total Operating Budget (Current Fiscal Year): \$3,420,334.00	
Contact Person:Ms. Kelly Webb	Title:Director, Grants & Donor Relations	
Contact Address:701 N. Raleigh Boulevard		
City:Raleigh	State: NC	Zip: 27610
Phone: 919-864-6282	Fax: 919-821-2625	
Email: kwebb@wakebgc.org		
Alternate Contact: Ralph E. Capps		
Phone: 919-834-6282	Email: rcapps@wakebgc.org	

SECTION 2. ORGANIZATIONAL OVERVIEW AND MISSION STATEMENT

Organizational Overview (who you are and what you do):

Boys & Girls Clubs offers after-school and summer programming to youth ages 6-18 through 7 neighborhood-based facilities and a summer day camp. Programs focus on three key areas: Academic Success, Healthy Lifestyles, and Good Character & Citizenship. Fees are just \$7.50 per year, and no child is ever turned away due to family finances.

Mission:

To enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.

SECTION 3. FUNDING AND BACKGROUND INFORMATION

Briefly describe the program for which funding is being requested. Funds will be used to purchase and operate a vehicle specially designed to transport hot and cold meals to Clubs throughout Raleigh participating in the BGC Nutritious Futures Program.

What value does this program add to the community?

Research shows that rates of hunger and food insecurity, particularly among low-income children, are a growing problem in North Carolina. Since 2000, the rate of households classified as food insecure has risen nearly 20%. Today, 1 in 5 people in our local community experience food insecurity, and the implications for children are particularly troublesome. Food insecure children have lower school performance, miss more days of school and have a harder time concentrating than children who are not experiencing food insecurity. The BGC Nutritious Futures Program provides daily, nutritious after-school and summer meals and snacks to youth ages 6-18 from some of Raleigh's most deserving neighborhoods (at least 275 per day; 77,000 in FY2016).

Describe why City funding is needed for this program.

City of Raleigh funding is critically important to our ability to purchase the specialty vehicle needed to safely transport meals for the BGC Nutritious Futures Program. With tremendous support from the community, Boys & Girls Clubs has been able to raise funds needed to construct and equip a commercial kitchen inside the Ralph E. Capps Teen Center (where BGC Nutritious Futures Program meals are prepared), hire and train staff, and implement the program at three pilot sites. City support is critical to our ability to transport food to sites in the long term.

Has your agency been funded in the past by the City of Raleigh?

Yes No

If so, please include a funding history for the most recent three years.

FY13-14	\$31,332.00	FY14-15	\$50,000.00	FY15-16	\$50,000.00
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Is the request to fund a one-time expenditure or to fund an intended recurring program or service?

One-Time Recurring

If intended as a recurring program or service, explain and quantify the recurring cost.

While the cost to purchase a vehicle to transport daily meals is a one-time expense, the BGC Nutritious Futures Program operates year-round and is an ongoing, recurring program. With City of Raleigh support, we will be able to leverage additional funds to support ongoing operational costs.

Describe how, if at all, you coordinate your services with other organizations in the area. Specify the involved organization(s) and the nature of the relationship.

Boys & Girls Clubs does not currently coordinate Nutritious Futures Program services with any outside service providers in the community, but we do partner with United Way of the Greater Triangle, NC Department of Health and Human Services and NC Department of Education, all of whom provide financial support to operate facets of the year-round Food Program.

SECTION 4. ASSOCIATION WITH CITY STRATEGIC PLAN AND MEASURABLE RESULTS

In April 2015, the Raleigh City Council adopted a citywide strategic plan with six key focus areas (Arts & Cultural Resources; Economic Development & Innovation; Growth & Natural Resources; Organizational Excellence; Safe, Vibrant & Healthy Communities; and Transportation & Transit). Non-profit funding requests should align with key focus areas in the City’s Strategic Plan. View Raleigh Strategic Plan

Select which Key Focus Area(s) your program addresses:	
<input type="checkbox"/>	Arts & Cultural Resources
<input type="checkbox"/>	Growth & Natural Resources
<input checked="" type="checkbox"/>	Safe, Vibrant & Healthy Community
<input type="checkbox"/>	Economic Development & Innovation
<input type="checkbox"/>	Transportation & Transit
<input type="checkbox"/>	Organizational Excellence
<input type="checkbox"/>	Not Applicable

Provide a brief explanation about how your funding request helps the City achieve objectives in the Key Focus Area(s) selected above.

This project directly aligns with the City’s strategic plan initiative of creating a safe, vibrant, healthy community by ensuring that some of Raleigh’s most vulnerable citizens – low-income, food insecure youth—have easy access to healthy, nutritious meals that meet USDA guidelines and model proper portion sizes.

Measurable Results – Program Goals

How do you measure the effectiveness of your organization’s program efforts? Using the table below, outline the program goals for the funding your agency is requesting in FY16-17 (one row per measure). If your agency received city grant funding in FY15-16, and the agency is seeking continued funding in FY16-17, include the goals and measures from the agency's FY15-16 application and actual performance results-to-date.

Stated Program Goals	Program Activities in Support of Goals	Anticipated Results for FY16-17	FY15-16 Target	FY15-16 Actuals-To-Date
<i>Example: 80% of after-school attendees will not be re-suspended</i>	<i>Counselor meets with students, as the first contact, for students referred for minor infractions.</i>	<i>Out of 100 students participating in the program, 90 remained in good standing with the school system. 90% result -above goal</i>	<i>87%</i>	<i>85%</i>
Children and teens have access to daily nutritious meals year-round.	BGC will make and deliver at least 275 meals per day to 3 Clubs that are piloting the Nutritious Futures Program.	100% of youth in attendance will have access to a daily nutritious meal at BGC.	77,000 meals & snacks	25% (19340 meals & snacks to date)

SECTION 5. AGENCY AND PROGRAM BUDGET DETAILS

Provide total expense and revenue budget information for the *entire agency*, including all programs and funding sources in the first three columns. In the last column, provide the amount requested from the City for the specific program. For purposes of this application, the budget information provided should coincide with the City’s fiscal year, July 1 through June 30.

Personnel Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 AGENCY PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Salaries	\$849,186.00	\$955,144.00	\$1,007,146.00	\$13,608.00
Merit	\$42,500.00	\$43,800.00	\$45,200.00	\$0.00
Benefits	\$303,566.00	\$344,415.00	\$385,800.00	\$0.00
Total Personnel Expenses	\$1,195,252.00	\$1,343,359.00	\$1,438,146.00	\$13,608.00

Operating Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Communications (e.g. publishing, marketing)	\$47,908.00	\$43,000.00	\$45,000.00	\$0.00
Travel & Training	\$50,472.00	\$77,500.00	\$143,355.00	\$0.00
Facilities (e.g. rent, utilities)	\$426,267.00	\$454,500.00	\$480,000.00	\$0.00
Technology	\$47,327.00	\$43,000.00	\$44,500.00	\$0.00
Other	\$1,315,479.00	\$1,458,975.00	\$1,783,200.00	\$62,855.00
Total Operating Expenses	\$1,887,453.00	\$2,076,975.00	\$2,496,055.00	\$62,855.00
Total Expenses	\$3,082,705.00	\$3,420,334.00	\$3,934,201.00	\$76,463.00

Total Revenues (excluding funding from either the City or Wake County governments)

	FY14-15 ACTUALS	FY15-16 BUDGET	FY16-17 PROJECTED BUDGET
Government Grants & Funding	\$40,300.00	\$37,500.00	\$39,000.00
Foundation Grants & Funding	\$1,007,400.00	\$925,000.00	\$1,025,000.00
Donor Contributions	\$1,237,831.00	\$1,505,000.00	\$1,510,000.00
Service Fees	\$151,493.00	\$138,000.00	\$140,000.00
Other Revenue	\$645,681.00	\$814,834.00	\$1,220,201.00
Total Revenues	\$3,082,705.00	\$3,420,334.00	\$3,934,201.00

Indicate the amount of total funds received from Wake County, if applicable, for each fiscal year listed below.

Fiscal Year	Total Funds
FY14-15	\$50,000.00
FY15-16	\$50,000.00
FY16-17 (as requesting)	\$76,463.00

Preparer's Name: Kelly Dorothy Webb

Preparer's Signature:

Kelly Dorothy Webb
eSigned via SeamlessDocs.com
 Key: 438f4abd9b176e0d26fa145bc1c6428b

Date Signed:

01/08/2016

**OTHER OUTSIDE AGENCY FUNDING
REQUEST APPLICATION**

City of Raleigh

FY16-17

Applications Due: January 11, 2016

Please complete application and submit online by selecting the submit button on the last page of the application, or send via email, fax or regular mail to:
Nancy Crouse, City of Raleigh, Budget and Management Services Department, Post Office Box 590, Raleigh, NC 27602. Email: nancy.crouse@raleighnc.gov Fax: 919-996-7146.

Attach the following with your request: Please combine the documents into a single .zip or .pdf file and upload when prompted at the end of this application:

- Annual Audit (if requesting more than \$25,000) or Board-Approved Financial Statement
- Current Board of Directors (roster, appointment process, attendance records, meeting schedule)
- 501(c)3 letter
- Scope of Work for grant funding requested in FY16-17

SECTION 1. IDENTIFYING INFORMATION

Organization Name: Food Bank of Central & Eastern North Carolina		
Program/Project: New Raleigh Distribution Center: So All May Eat		
Amount of Funding Requested: \$500,000.00	Agency's Total Operating Budget (Current Fiscal Year): \$12,769,011.00	
Contact Person: Peter Werbicki	Title: President/CEO	
Contact Address: 3808 Tarheel Dr		
City: Raleigh	State: NC	Zip: 27609
Phone: 919-865-3018	Fax:	
Email: pwerbicki@foodbankcenc.org		
Alternate Contact: Anna Spell Miller, Manager of Foundation Giving		
Phone: 919-865-3048	Email: amiller@foodbankcenc.org	

SECTION 2. ORGANIZATIONAL OVERVIEW AND MISSION STATEMENT

Organizational Overview (who you are and what you do):

The Food Bank of Central & Eastern North Carolina (FBCENC) believes in the power of community to bring an end to hunger. Since 1980, we have been working in communities throughout 34 of North Carolina's 100 counties to distribute food to those in need through a diverse network of more than 800 nonprofit partner agencies.

Mission:

As a leader in the fight to end hunger, our mission is to ensure that no one goes hungry in central and eastern North Carolina. For 35 years, the Food Bank has restored hope and health to those struggling with hunger through food distribution, hunger relief programs, education and advocacy. We have served the city of Raleigh since 1980.

SECTION 3. FUNDING AND BACKGROUND INFORMATION

Briefly describe the program for which funding is being requested.

FBCENC respectfully requests grant funding from the City of Raleigh in support of our move to a larger facility on Capital Blvd., enabling the Food Bank to provide more food to more people in need.

What value does this program add to the community?

Our current Raleigh facility has been our primary distribution and programming center since 1997. During this time we have increased distribution from 5 million to 57 million pounds a year (equal to 48 million meals). With growing community need and changing demands for more perishables such as fresh produce and frozen meats, the current facility no longer serves our needs.

The move to a larger facility will enable further growth, with the ability to distribute 60 million additional meals over the long term. The new facility improves partner and client access, enables larger groups of corporate and civic volunteers to engage in our work, and opens the possibility for more whole-person, solution-oriented

Describe why City funding is needed for this program.

Funding from the City will support the up-fit of the new, larger facility on Capital Boulevard, enabling us to serve the community in a more efficient, safe, and sustainable way.

Over the last ten years, we have doubled our distribution within Raleigh. Last year, the Food Bank supported the work of 143 agencies in Raleigh with a total of 5.5 million pounds of food, a \$1.36 million investment in our community. Grant funding from the City will support additional meals and hunger relief programs in Raleigh, impacting our entire service area.

Has your agency been funded in the past by the City of Raleigh?

Yes No

If so, please include a funding history for the most recent three years.

FY13-14

FY14-15

FY15-16

Is the request to fund a one-time expenditure or to fund an intended recurring program or service?

One-Time Recurring

If intended as a recurring program or service, explain and quantify the recurring cost.

This request will be a one-time request from the City of Raleigh. By investing in our new, expanded facility, we are asking the City to support not only our work, but the work of our 143 Raleigh nonprofit partners as well, many of which you support annually. A full list of Raleigh partners is attached.

Describe how, if at all, you coordinate your services with other organizations in the area. Specify the involved organization(s) and the nature of the relationship.

FBCENC provides food and programming to those struggling with hunger via our network of local nonprofit partner agencies. The Raleigh branch serves as the main hub for the organization, managing resources, programming, and transportation across our 19,000 square mile service area.

We partner with 143 nonprofit agencies in Raleigh (full list attached). Agencies include food pantries, group homes or shelters, childcare centers, and senior nutrition services. We provide food and programming resources to our partners, as well as capacity building opportunities such as nutrition education materials, equipment (refrigerators, freezers, etc.), and trainings on fundraising, efficient operations, and food safety to name a few.

The new facility will allow further collaboration with and among our partner agencies, providing community resource rooms for trainings, workshops, or meetings as well as cooking demonstrations and teaching kitchens for agencies and clients.

SECTION 4. ASSOCIATION WITH CITY STRATEGIC PLAN AND MEASURABLE RESULTS

In April 2015, the Raleigh City Council adopted a citywide strategic plan with six key focus areas (Arts & Cultural Resources; Economic Development & Innovation; Growth & Natural Resources; Organizational Excellence; Safe, Vibrant & Healthy Communities; and Transportation & Transit). Non-profit funding requests should align with key focus areas in the City's Strategic Plan. View Raleigh Strategic Plan

Select which Key Focus Area(s) your program addresses:

<input type="checkbox"/>	Arts & Cultural Resources
<input type="checkbox"/>	Growth & Natural Resources
<input checked="" type="checkbox"/>	Safe, Vibrant & Healthy Community
<input type="checkbox"/>	Economic Development & Innovation
<input type="checkbox"/>	Transportation & Transit
<input checked="" type="checkbox"/>	Organizational Excellence
<input type="checkbox"/>	Not Applicable

Provide a brief explanation about how your funding request helps the City achieve objectives in the Key Focus Area(s) selected above.

What we eat has a profound effect on our mental and physical well-being. The Food Bank not only feeds those who are hungry, we are impacting community health. By investing in our new facility, the City will help to ensure we meet our goal of a healthy, hunger-free community by increasing our capacity to distribute more food and to launch new education initiatives.

Measurable Results – Program Goals

How do you measure the effectiveness of your organization's program efforts? Using the table below, outline the program goals for the funding your agency is requesting in FY16-17 (one row per measure). If your agency received city grant funding in FY15-16, and the agency is seeking continued funding in FY16-17, include the goals and measures from the agency's FY15-16 application and actual performance results-to-date.

Stated Program Goals	Program Activities in Support of Goals	Anticipated Results for FY16-17	FY15-16 Target	FY15-16 Actuals-To-Date
<i>Example: 80% of after-school attendees will not be re-suspended</i>	<i>Counselor meets with students, as the first contact, for students referred for minor infractions.</i>	<i>Out of 100 students participating in the program, 90 remained in good standing with the school system. 90% result -above goal</i>	87%	85%
Relocate, renovate and expand our Raleigh-based food distribution branch	--Purchase facility on Capital Blvd --Hire construction firm to complete building up-fit requirements	FBCENC will move into its new Raleigh headquarters in summer 2016	Purchase facility	Completed
Enhance operational efficiencies through effective leverage of technology	--Study best practices among food banks; adapt for FBCENC --Upgrade warehouse management and other database systems	FBCENC will adopt new operating procedures and IT systems to track & move food faster	n/a	n/a
Increase volunteerism capabilities at Raleigh distribution center	--Create safe zones for volunteer workspace within new warehouse	FBCENC will continue to recruit and retain record numbers of volunteers	170,000 vol hours org-wide	60% of goal
Expand partnerships and programs that innovate to break the cycle of hunger	--Research and create solution-oriented programs to end the cycle of hunger and promote self-sufficiency	FBCENC will explore nutrition education, food literacy, and other programs	n/a	n/a
Collect and distribute more food across our 34-county service area	--Utilize increased space, volunteers, and operating procedures to move more food to more people	FBCENC will distribute an additional 14 million meals by 2020	58-59 million pounds	35 million pounds 59% of goal

SECTION 5. AGENCY AND PROGRAM BUDGET DETAILS

Provide total expense and revenue budget information for the *entire agency*, including all programs and funding sources in the first three columns. In the last column, provide the amount requested from the City for the specific program. For purposes of this application, the budget information provided should coincide with the City's fiscal year, July 1 through June 30.

Personnel Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 AGENCY PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Salaries	\$4,215,184.00	\$4,906,289.00	\$4,912,000.00	
Merit				
Benefits	\$1,312,243.00	\$1,515,270.00	\$1,549,700.00	
Total Personnel Expenses	\$5,527,427.00	\$6,421,559.00	\$6,461,700.00	\$0.00

Operating Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Communications (e.g. publishing, marketing)	\$273,863.00	\$263,540.00	\$220,600.00	
Travel & Training	\$74,267.00	\$158,130.00	\$105,400.00	
Facilities (e.g. rent, utilities)	\$731,338.00	\$778,658.00	\$958,900.00	
Technology	\$58,562.00	\$58,500.00	\$100,100.00	
Other	\$5,492,557.00	\$5,630,424.00	\$7,733,500.00	\$500,000.00
Total Operating Expenses	\$6,630,587.00	\$6,889,252.00	\$9,118,500.00	\$500,000.00
Total Expenses	\$12,158,014.00	\$13,310,811.00	\$15,580,200.00	\$500,000.00

Total Revenues (excluding funding from either the City or Wake County governments)

	FY14-15 ACTUALS	FY15-16 BUDGET	FY16-17 PROJECTED BUDGET
Government Grants & Funding	\$1,706,943.00	\$1,546,067.00	\$1,518,200.00
Foundation Grants & Funding	\$3,854,767.00	\$3,599,689.00	\$2,795,900.00
Donor Contributions	\$4,801,652.00	\$5,468,800.00	\$4,265,700.00
Service Fees			
Other Revenue	\$1,794,651.00	\$2,696,255.00	\$7,000,400.00
Total Revenues	\$12,158,013.00	\$13,310,811.00	\$15,580,200.00

Indicate the amount of total funds received from Wake County, if applicable, for each fiscal year listed below.

Fiscal Year	Total Funds
FY14-15	\$0.00
FY15-16	\$0.00
FY16-17 (as requesting)	\$500,000.00

Preparer's Name: Anna Spell Miller

Preparer's Signature: 

Date Signed: 12/30/2015

Other Outside Agency Funding Request FY16-17

**OTHER OUTSIDE AGENCY FUNDING
REQUEST APPLICATION
City of Raleigh
FY16-17
Applications Due: January 11, 2016**

Please complete application and submit online by selecting the submit button on the last page of the application

Attach the following with your request: Please combine the documents into a single .zip or .pdf file and upload when prompted at the end of this application:

- Annual Audit (if requesting more than \$25,000) or Board-Approved Financial Statement
- Current Board of Directors (roster, appointment process, attendance records, meeting schedule)
- 501(c)3 letter
- Scope of Work for grant funding requested in FY16-17

SECTION 1. IDENTIFYING INFORMATION

Organization Name: NESSIE FOUNDATION, INC.		
Program/Project: Dual Purpose Community Safe Room		
Amount of Funding Requested: \$180,000.00	Agency's Total Operating Budget (Current Fiscal Year): \$32,862.00	
Contact Person: Chris Parrish	Title: President	
Contact Address: 4500 Parrish Manor Drive		
City: Garner	State: NC	Zip: 27529
Phone: 919-661-1234	Fax: 919-661-2706	
Email: chris@parrishmanor.com		
Alternate Contact:		
Phone:	Email:	

SECTION 2. ORGANIZATIONAL OVERVIEW AND MISSION STATEMENT

Organizational Overview (who you are and what you do):

Nessie Foundation is a 501c3 non-profit formed in 2006 to serve at-risk kids and their families in Southeast Raleigh. We believe that focus and collaboration is crucial to our success. We have chosen to focus on the 400+ kids residing in the Parrish Manor community and we seek out collaboration to achieve leverage and not reinvent the wheel.

Mission:

Empowering youth to meet tomorrow's challenges by providing access to positive influences today.

SECTION 3. FUNDING AND BACKGROUND INFORMATION

Briefly describe the program for which funding is being requested. Construction of the NC's First FEMA funded Dual Purpose Community Safe Room. This will be a community center that can be used as a tornado shelter for 870 individuals.

What value does this program add to the community?

The Community Safe Room has a building life over 50 years and is virtually maintenance free. It is designed to FEMA standards as a tornado shelter and will serve as a community center and will be the point for non-profits and agencies to deliver much needed services and programs. The Boys & Girls Clubs plan to program in the building to bring services to this area of Raleigh. The community is not served by public transportation and is located in a food and physical activity desert. There are over 400 at-risk youth living within half mile of the building. This building will a safe place that will have the support system to give youth a greater chance to make positive choices.

Describe why City funding is needed for this program.

This building is being funded by the federal government, private foundations and private donations to Nessie Foundation a 501c3 non-profit that will own and manage the building. City funding is needed for the final funding piece for the building's budget. 78% of the budget has been committed to the project and we are requesting 11% from the city and 11% from the county. The city can protect an underserved and vulnerable population for around \$171 per citizen and services can be provided by others such as after-school programming that are highly efficient and effective without using city resources.

Has your agency been funded in the past by the City of Raleigh?

Yes No

If so, please include a funding history for the most recent three years.

FY13-14 \$10,000.00 FY14-15 \$10,000.00 FY15-16 \$13,000.00

Is the request to fund a one-time expenditure or to fund an intended recurring program or service?

One-Time Recurring

If intended as a recurring program or service, explain and quantify the recurring cost.

This is a one-time request that we are open to receiving over multiple years.

Describe how, if at all, you coordinate your services with other organizations in the area. Specify the involved organization(s) and the nature of the relationship.

We will coordinate disaster preparedness planning for the community with Wake County Emergency Management and the Red Cross. We have worked with the Boys & Girls Clubs for over 10 years and will allow them to utilize the building for their after-school and summer programming rent free. The Boys & Girls Clubs will be able to offer daily interactions with youth that we cannot presently offer. There will be no cost to the kids for the programming. We have partnered for several years with Wake County Cooperative Extension 4H programs and will utilize them in the building - continuing with our cooking classes for adults and youth and the teenage bike shop and we will be able to expand into substance abuse and financial literacy classes once we have indoor space. We plan to invite others such as the city of Raleigh to bring programs to the building such as ESL classes, senior programming, pre-K reading, computer classes, and career advancement classes.

SECTION 4. ASSOCIATION WITH CITY STRATEGIC PLAN AND MEASURABLE RESULTS

In April 2015, the Raleigh City Council adopted a citywide strategic plan with six key focus areas (Arts & Cultural Resources; Economic Development & Innovation; Growth & Natural Resources; Organizational Excellence; Safe, Vibrant & Healthy Communities; and Transportation & Transit). Non-profit funding requests should align with key focus areas in the City's Strategic Plan. View Raleigh Strategic Plan

Select which Key Focus Area(s) your program addresses:	
<input type="checkbox"/>	Arts & Cultural Resources
<input type="checkbox"/>	Growth & Natural Resources
<input checked="" type="checkbox"/>	Safe, Vibrant & Healthy Community
<input type="checkbox"/>	Economic Development & Innovation
<input type="checkbox"/>	Transportation & Transit
<input type="checkbox"/>	Organizational Excellence
<input type="checkbox"/>	Not Applicable

Provide a brief explanation about how your funding request helps the City achieve objectives in the Key Focus Area(s) selected above.

The building will protect a vulnerable population from harm during a tomado and will simultaneously serve a base for services to an affordable and underserved community area. The building will provide the link to services that are needed to enhance quality of life thru an environment that fosters and sustains well-being of mind, body and spirit.

Measurable Results – Program Goals

How do you measure the effectiveness of your organization’s program efforts? Using the table below, outline the program goals for the funding your agency is requesting in FY16-17 (one row per measure). If your agency received city grant funding in FY15-16, and the agency is seeking continued funding in FY16-17, include the goals and measures from the agency's FY15-16 application and actual performance results-to-date.

Stated Program Goals	Program Activities in Support of Goals	Anticipated Results for FY16-17	FY15-16 Target	FY15-16 Actuals-To-Date
<i>Example: 80% of after-school attendees will not be re-suspended</i>	<i>Counselor meets with students, as the first contact, for students referred for minor infractions.</i>	<i>Out of 100 students participating in the program, 90 remained in good standing with the school system. 90% result -above goal</i>	<i>87%</i>	<i>85%</i>
First year after completion - 150 unduplicated youth will participate in programs	Boys and Girls Club; 4H classes and other agencies to provide programs	Out of the 150 youth; we will have at least 640 interactions per month	N/A	N/A
80% of youth will increase knowledge of healthy food choices; portion size and exercise	4H - Expanded Food and Nutrition Classes; Nessie Outdoor Activity Club; Boys & Girls Club Healthy Lifestyle programs	120 youth will engage the healthy lifestyle classes and make the healthy choices		
80% will increase awareness to negative influences such as drugs, alcohol and tobacco	4H - SuperSeed program, Boys & Girls Club Programs	80 middle and high school students interact with the avoidance classes		
Building will be widely used by agencies and non-profits	Wake County Cooperative Extension and 4H programs, Human Services programs, ELS classes, Boys & Girls Clubs programs,	30 Hours per week of programming at the building		

SECTION 5. AGENCY AND PROGRAM BUDGET DETAILS

Provide total expense and revenue budget information for the *entire agency*, including all programs and funding sources in the first three columns. In the last column, provide the amount requested from the City for the specific program. For purposes of this application, the budget information provided should coincide with the City’s fiscal year, July 1 through June 30.

Personnel Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 AGENCY PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Salaries	\$11,632.63	\$10,015.00	\$81,364.00	\$0.00
Merit	\$0.00	\$0.00	\$0.00	\$0.00
Benefits	\$0.00	\$0.00	\$0.00	\$0.00
Total Personnel Expenses	\$11,632.63	\$10,015.00	\$81,364.00	\$0.00

Operating Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Communications (e.g. publishing, marketing)	\$951.41	\$600.00	\$1,500.00	
Travel & Training				
Facilities (e.g. rent, utilities)				
Technology				
Other	\$18,405.32	\$20,050.00	\$1,535,615.00	\$180,000.00
Total Operating Expenses	\$19,356.73	\$20,650.00	\$1,537,115.00	\$180,000.00
Total Expenses	\$30,989.36	\$30,665.00	\$1,618,479.00	\$180,000.00

Total Revenues (excluding funding from either the City or Wake County governments)

	FY14-15 ACTUALS	FY15-16 BUDGET	FY16-17 PROJECTED BUDGET
Government Grants & Funding			\$880,553.00
Foundation Grants & Funding			\$50,000.00
Donor Contributions	\$18,932.50	\$19,500.00	\$311,676.00
Service Fees			
Other Revenue			
Total Revenues	\$18,932.50	\$19,500.00	\$1,242,229.00

Indicate the amount of total funds received from Wake County, if applicable, for each fiscal year listed below.

Fiscal Year	Total Funds
FY14-15	\$0.00
FY15-16	\$0.00
FY16-17 (as requesting)	\$180,000.00

Preparer's Name: Chris Parrish

Preparer's Signature:

Chris Parrish
eSigned via SeamlessDocs.com
 Key: 438f4abd9b176e0d26fa145bc1c6428b

Date Signed:

01/09/2016

**OTHER OUTSIDE AGENCY FUNDING
REQUEST APPLICATION
City of Raleigh
FY16-17
Applications Due: January 11, 2016**

Please complete application and submit online by selecting the submit button on the last page of the application, or send via email, fax or regular mail to:
Nancy Crouse, City of Raleigh, Budget and Management Services Department, Post Office Box 590, Raleigh, NC 27602. Email: nancy.crouse@raleighnc.gov Fax: 919-996-7146.

Attach the following with your request: Please combine the documents into a single .zip or .pdf file and upload when prompted at the end of this application:

- Annual Audit (if requesting more than \$25,000) or Board-Approved Financial Statement
- Current Board of Directors (roster, appointment process, attendance records, meeting schedule)
- 501(c)3 letter
- Scope of Work for grant funding requested in FY16-17

SECTION 1. IDENTIFYING INFORMATION

Organization Name: The Daniel Center for Math and Science		
Program/Project: STEM Curricula, lessons, kits, materials and supplies; and related field trips and engagements.		
Amount of Funding Requested: \$25,000.00	Agency's Total Operating Budget (Current Fiscal Year): \$276,651.00	
Contact Person: Kirby Jones	Title: Executive Director	
Contact Address: 735 Rock Quarry Road		
City: Raleigh	State: NC	Zip: 27610
Phone: 919-828-6443	Fax: 919-828-6413	
Email: kirby@danielcenter.org		
Alternate Contact: Pauletta Thompson		
Phone: 919-828-6443	Email: pthompson@danielcenter.org	

SECTION 2. ORGANIZATIONAL OVERVIEW AND MISSION STATEMENT

Organizational Overview (who you are and what you do):

Our pre-teen program is housed within the framework of a licensed 5-Star childcare center. As such, we provide afterschool, and full day summer STEM-education to children ages 5-12. Our teen component tutors children during the school year, and provides half-day STEM sessions during the summer.

Mission:

The Daniel Center for Math and Science has as its mission to narrow the education gap in math, science, and technology for at risk, and economically disadvantaged children; and to prepare and motivated these same children to pursue a post-high school education. Ultimately, ours is a mission to break the cycle of generational poverty, through education.

SECTION 3. FUNDING AND BACKGROUND INFORMATION

Briefly describe the program for which funding is being requested. Year-round, STEM education enhancement program for at-risk and economically disadvantaged children.

What value does this program add to the community?

The Daniel Center is located in the heart of S.E. Raleigh, where poverty, academic failure, and unemployment is the highest in Wake County. Our program provides high-quality, year-round, long-term (from age 5, until students are in college) academic engagements in STEM to a population of children, who would otherwise not receive it. Research shows that high quality out-of-school education opportunities can greatly aid in narrowing the STEM academic achievement gap for at-risk and economically disadvantaged youth. Our students are poised to enter young adulthood with the educational tools, and life skills necessary to obtain livable wage jobs, and be productive members of their community.

Describe why City funding is needed for this program.

Initially, our organization relied primarily on income from childcare vouchers of the families we serve. However, in February 2013, vouchers were cut for children over 8 ½ (except under extenuating circumstances). No children in our program have been disenrolled due to having their vouchers cut. Therefore, since 2013 we receive no income from more than half of the children we serve. Although, we receive donations from other sources, the cuts in the voucher program has caused us to need to seek funding from governmental agencies, as well as individual and private donors.

Has your agency been funded in the past by the City of Raleigh?

Yes No

If so, please include a funding history for the most recent three years.

FY13-14 \$0.00 FY14-15 \$0.00 FY15-16 \$0.00

Is the request to fund a one-time expenditure or to fund an intended recurring program or service?

One-Time Recurring

If intended as a recurring program or service, explain and quantify the recurring cost.

Our program is designed for long-term engagement with the children we serve. Kids enroll as young as 5, and are able to remain in The Daniel Center until they are successfully enrolled in a two, or four-year college. Funding for our comprehensive STEM curriculum is a perennial need, the cost of which, continues to increase, as our enrollment increases.

Describe how, if at all, you coordinate your services with other organizations in the area. Specify the involved organization(s) and the nature of the relationship.

NC STATE UNIVERSITY – Over 20 volunteers from their University Honors Village serve each day as teacher assistants and tutors. The Science House and NC State’s NC-Mathematics and Science Education Network program play a vital role in ensuring our students have high quality learning experiences and engagements. CORPORATIONS – First Tennessee Bank implements a financial literacy curriculum at our center twice per month. Scientists from LORD Corp and engineers from HDR Engineering provide monthly hands-on science and engineering presentations. Plexus Engineering provides job shadowing for our teens. Bank of America provides volunteers - one who leads our weekly Lego Robotics lessons, and our Robotics team; and another, who sits on our Board. CAPE FEAR TUTORING – Our center is located in a federally designated “food desert.” Cape Fear Tutoring ensures we have the resources, and knowledge to provide nutritious meals for low-income students. We serve a full breakfast, lunch, and snack.

SECTION 4. ASSOCIATION WITH CITY STRATEGIC PLAN AND MEASURABLE RESULTS

In April 2015, the Raleigh City Council adopted a citywide strategic plan with six key focus areas (Arts & Cultural Resources; Economic Development & Innovation; Growth & Natural Resources; Organizational Excellence; Safe, Vibrant & Healthy Communities; and Transportation & Transit). Non-profit funding requests should align with key focus areas in the City's Strategic Plan. View Raleigh Strategic Plan

Select which Key Focus Area(s) your program addresses:	
<input type="checkbox"/>	Arts & Cultural Resources
<input type="checkbox"/>	Growth & Natural Resources
<input type="checkbox"/>	Safe, Vibrant & Healthy Community
<input checked="" type="checkbox"/>	Economic Development & Innovation
<input type="checkbox"/>	Transportation & Transit
<input type="checkbox"/>	Organizational Excellence
<input type="checkbox"/>	Not Applicable

Provide a brief explanation about how your funding request helps the City achieve objectives in the Key Focus Area(s) selected above.

A well-educated workforce is key to maintaining a healthy local economy. Also, there is a direct correlation between the level of education in a community's workforce, and its median wage. Our organization provides the educational tools and high-impact engagements in STEM, which produce young adults who are prepared to enter this growing sector of the job market.

Measurable Results – Program Goals

How do you measure the effectiveness of your organization's program efforts? Using the table below, outline the program goals for the funding your agency is requesting in FY16-17 (one row per measure). If your agency received city grant funding in FY15-16, and the agency is seeking continued funding in FY16-17, include the goals and measures from the agency's FY15-16 application and actual performance results-to-date.

Stated Program Goals	Program Activities in Support of Goals	Anticipated Results for FY16-17	FY15-16 Target	FY15-16 Actuals-To-Date
<i>Example: 80% of after-school attendees will not be re-suspended</i>	<i>Counselor meets with students, as the first contact, for students referred for minor infractions.</i>	<i>Out of 100 students participating in the program, 90 remained in good standing with the school system. 90% result -above goal</i>	87%	85%
95% of our students are promoted to the next grade.	Daily lessons in STEM curriculum, with a particular focus on math and reading, using proven tutoring methods.	Out of 44 students enrolled, 42 will be promoted to the next grade.	95%	100%
80% of our students have a fair-good mastery of math.	Emphasis on math tutoring using the iReady diagnostic and instructional math system.	Out of 44 students enrolled, 35 will demonstrate a fair-good mastery of math.	80%	85%

SECTION 5. AGENCY AND PROGRAM BUDGET DETAILS

Provide total expense and revenue budget information for the *entire agency*, including all programs and funding sources in the first three columns. In the last column, provide the amount requested from the City for the specific program. For purposes of this application, the budget information provided should coincide with the City's fiscal year, July 1 through June 30.

Personnel Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 AGENCY PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Salaries	\$149,684.00	\$170,022.00	\$175,000.00	
Merit	\$0.00	\$0.00	\$0.00	
Benefits	\$0.00	\$0.00	\$0.00	
Total Personnel Expenses	\$149,684.00	\$170,022.00	\$175,000.00	

Operating Expenses

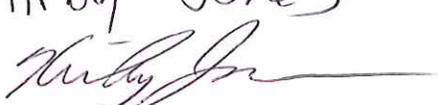
	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Communications (e.g. publishing, marketing)	\$4,873.00	\$1,480.00	\$1,500.00	
Travel & Training	\$0.00	\$0.00	\$0.00	
Facilities (e.g. rent, utilities)	\$31,394.00	\$30,925.00	\$32,350.00	
Technology	\$0.00	\$0.00	\$0.00	
Other	\$81,634.00	\$74,224.00	\$76,150.00	\$25,000.00
Total Operating Expenses	\$117,901.00	\$106,629.00	\$110,000.00	\$25,000.00
Total Expenses	\$267,585.00	\$276,651.00	\$285,000.00	\$25,000.00

Total Revenues (excluding funding from either the City or Wake County governments)

	FY14-15 ACTUALS	FY15-16 BUDGET	FY16-17 PROJECTED BUDGET
Government Grants & Funding	\$0.00	\$0.00	\$0.00
Foundation Grants & Funding	\$168,033.00	\$156,761.00	\$150,000.00
Donor Contributions	\$500.00	\$2,820.00	\$3,000.00
Service Fees	\$110,350.00	\$102,120.00	\$101,000.00
Other Revenue	\$70,622.00	\$5,750.00	\$6,000.00
Total Revenues	\$349,505.00	\$267,451.00	\$260,000.00

Indicate the amount of total funds received from Wake County, if applicable, for each fiscal year listed below.

Fiscal Year	Total Funds
FY14-15	\$0.00
FY15-16	\$0.00
FY16-17 (as requesting)	\$0.00

Preparer's Name: Kirby Jones
 Preparer's Signature: 
 Date Signed: 12-17-15

Other Outside Agency Funding Request FY16-17

**OTHER OUTSIDE AGENCY FUNDING
REQUEST APPLICATION
City of Raleigh
FY16-17
Applications Due: January 11, 2016**

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- Current Board of Directors (roster, appointment process, attendance records, meeting schedule)
- 501(c)3 letter
- Scope of Work for grant funding requested in FY16-17

SECTION 1. IDENTIFYING INFORMATION

Organization Name: Triangle Family Services		
Program/Project: Financial Stability - Consumer Credit Counseling Services		
Amount of Funding Requested: \$50,000.00	Agency's Total Operating Budget (Current Fiscal Year): \$3,082,000.00	
Contact Person: Alice Lutz	Title: Chief Executive Officer	
Contact Address: 3937 Western Blvd.		
City: Raleigh	State: NC	Zip: 27606
Phone: 919-821-0790	Fax: 919-233-6738	
Email: alutz@tfsnc.org		
Alternate Contact: Angela Powell		
Phone: 919-821-0790	Email: apowell@tfsnc.org	

SECTION 2. ORGANIZATIONAL OVERVIEW AND MISSION STATEMENT

Organizational Overview (who you are and what you do):

Triangle Family Services has been an integral part of the Triangle community for 78 years and provides effective and innovative services to over 13,000 families annually. Of those served, 88% live at or below the poverty line. Thousands of families are assisted in TFS' three focus areas of Family Safety, Financial Stability, and Mental Health.

Mission:

"Building a stronger community by strengthening the family."

SECTION 3. FUNDING AND BACKGROUND INFORMATION

Briefly describe the program for which funding is being requested. TFS' Consumer Credit Counseling Services (CCCS) Division provides in-depth financial stability services and education programs to financially fragile individuals and/or families.

What value does this program add to the community?

In direct alignment with the City's third objective within the focus area of Economic Development and Innovation, TFS' program utilizes best practices and a comprehensive tool kit of services, expertise, and resources to best equip our neighbors with financial challenges. Additionally, TFS is known within the community as a nimble and responsive organization that is transparent in its practices and through its CCCS components, fosters financial stability and growth opportunities. All clients who attend financial stability and CCCS programs are given a comprehensive budget review as part of their initial session. All sessions include a thorough and comprehensive assessment of the client's unique financial situation.

Describe why City funding is needed for this program.

The City of Raleigh's Strategic Plan outlines the priorities needed to address our most pressing issues and Triangle Family Services is a change agent working to put best practices into motion. Similarly to the plan itself, TFS has a reputation for forward-thinking, comprehensively addressing needs, and long-range planning.

Triangle Family Services' CCCS Program and Financial Stability Division provide a safety net to those most vulnerable in our community by empowering our clients with the tools needed to prevent crisis. TFS' Financial Stability Programs PREVENT clients from needing additional services.

Has your agency been funded in the past by the City of Raleigh?

Yes No

If so, please include a funding history for the most recent three years.

FY13-14 \$74,527.00 FY14-15 \$86,046.00 FY15-16 \$38,755.00

Is the request to fund a one-time expenditure or to fund an intended recurring program or service?

One-Time Recurring

If intended as a recurring program or service, explain and quantify the recurring cost.

Triangle Family Services is respectfully requesting \$50,000 to fund a full-time Consumer Credit Counseling position. This staff member will be a credentialed industry professional with a critical role in direct service delivery of the agency's Consumer Credit Counseling Services.

Describe how, if at all, you coordinate your services with other organizations in the area. Specify the involved organization(s) and the nature of the relationship.

Triangle Family Services knows the most effective solution to serving families in crisis in our community is through a collective impact model. For decades, our agency has leveraged community partnerships to create the most effective and efficient services for clients while adding the most value to donors dollars, through a solid and robust list of community partnerships and collaborative efforts.

TFS currently has over 30 strong collaborative relationships and partnerships with Community Agencies, Government Agencies, the Faith-Based Community, Corporations, Financial Institutions and the Justice Department. Through TFS' Coordinated Intake (CI) Program, an arm of TFS' emergency Housing Assistance Program, over 8,000 referrals to community agencies are achieved. TFS' strategic partnerships include, Wheels for Hope, StepUp Ministries, Dress for Success, Kramden Institute, Wake County and Alliance Behavioral Health.

SECTION 4. ASSOCIATION WITH CITY STRATEGIC PLAN AND MEASURABLE RESULTS

In April 2015, the Raleigh City Council adopted a citywide strategic plan with six key focus areas (Arts & Cultural Resources; Economic Development & Innovation; Growth & Natural Resources; Organizational Excellence; Safe, Vibrant & Healthy Communities; and Transportation & Transit). Non-profit funding requests should align with key focus areas in the City’s Strategic Plan. View Raleigh Strategic Plan

Select which Key Focus Area(s) your program addresses:	
<input type="checkbox"/>	Arts & Cultural Resources
<input type="checkbox"/>	Growth & Natural Resources
<input type="checkbox"/>	Safe, Vibrant & Healthy Community
<input checked="" type="checkbox"/>	Economic Development & Innovation
<input type="checkbox"/>	Transportation & Transit
<input checked="" type="checkbox"/>	Organizational Excellence
<input type="checkbox"/>	Not Applicable

Provide a brief explanation about how your funding request helps the City achieve objectives in the Key Focus Area(s) selected above.

Economic Develop.–TFS has revised and refined its tool kit of resources by shifting to a coaching model to empower client success. This shift illustrates our culture of continuous improvement, & use of best practices.
 Org. Excellence – Accredited by the Council on Accreditation, recognized as a United Way Agency of Excellence & is a HUD-approved housing counseling agency.

Measurable Results – Program Goals

How do you measure the effectiveness of your organization’s program efforts? Using the table below, outline the program goals for the funding your agency is requesting in FY16-17 (one row per measure). If your agency received city grant funding in FY15-16, and the agency is seeking continued funding in FY16-17, include the goals and measures from the agency's FY15-16 application and actual performance results-to-date.

Stated Program Goals	Program Activities in Support of Goals	Anticipated Results for FY16-17	FY15-16 Target	FY15-16 Actuals-To-Date
<i>Example: 80% of after-school attendees will not be re-suspended</i>	<i>Counselor meets with students, as the first contact, for students referred for minor infractions.</i>	<i>Out of 100 students participating in the program, 90 remained in good standing with the school system. 90% result -above goal</i>	<i>87%</i>	<i>85%</i>
Provide 50 financial literacy workshops to address: budget and credit challenges.	Workshops are offered to various groups including schools, adult ed programs, civic organizations, and private industry.	>50 workshops will be held to provide clients with financial skills.	40 financial literacy workshops will be held.	29 workshops
85% of participants will learn at least one new skill through CCCS programs.	TFS employs accredited counselors and achieves results through individual counseling and group financial literacy.	95% of participants will learn at least one new skill through CCCS programs.	85%	95%
85% of clients will agree to having increased their knowledge and skills through CCCS.	Counseling and group financial literacy education assists clients with stabilizing their financial situation.	90% of clients will agree to having increased their knowledge and skills through CCCS	85%	90%
80% of long-term clients will attend at least two additional financial workshops.	Clients have the opportunity to attend workshops on various financial literacy topics.	80% of long-term clients will attend at least two additional financial workshops.	80%	100%

SECTION 5. AGENCY AND PROGRAM BUDGET DETAILS

Provide total expense and revenue budget information for the *entire agency*, including all programs and funding sources in the first three columns. In the last column, provide the amount requested from the City for the specific program. For purposes of this application, the budget information provided should coincide with the City’s fiscal year, July 1 through June 30.

Personnel Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 AGENCY PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Salaries	\$1,632,394.00	\$1,700,000.00	\$1,700,000.00	\$50,000.00
Merit				
Benefits	\$319,068.00	\$431,500.00	\$431,500.00	
Total Personnel Expenses	\$1,951,462.00	\$2,131,500.00	\$2,131,500.00	\$50,000.00

Operating Expenses

	FY14-15 AGENCY ACTUALS	FY15-16 AGENCY BUDGET	FY16-17 PROJECTED BUDGET	FY16-17 FUNDING REQUEST FROM CITY FOR PROGRAM
Communications (e.g. publishing, marketing)	\$12,052.00	\$16,000.00	\$16,000.00	
Travel & Training	\$29,002.00	\$28,500.00	\$28,500.00	
Facilities (e.g. rent, utilities)	\$61,013.00	\$58,000.00	\$58,000.00	
Technology	\$94,983.00	\$80,000.00	\$80,000.00	
Other	\$512,735.00	\$739,000.00	\$739,000.00	
Total Operating Expenses	\$709,785.00	\$921,500.00	\$921,500.00	\$0.00
Total Expenses	\$2,661,247.00	\$3,053,000.00	\$3,053,000.00	\$50,000.00

Total Revenues (excluding funding from either the City or Wake County governments)

	FY14-15 ACTUALS	FY15-16 BUDGET	FY16-17 PROJECTED BUDGET
Government Grants & Funding	\$1,200,902.00	\$1,429,500.00	\$1,500,000.00
Foundation Grants & Funding	\$425,485.00	\$613,000.00	\$650,000.00
Donor Contributions	\$286,197.00	\$350,000.00	\$350,000.00
Service Fees	\$484,325.00	\$536,000.00	\$550,000.00
Other Revenue	\$400,843.00	\$153,500.00	\$25,000.00
Total Revenues	\$2,797,752.00	\$3,082,000.00	\$3,075,000.00

Indicate the amount of total funds received from Wake County, if applicable, for each fiscal year listed below.

Fiscal Year	Total Funds
FY14-15	\$86,046.00
FY15-16	\$38,755.00
FY16-17 (as requesting)	\$50,000.00

Preparer's Name: Alice Stafford Lutz

Preparer's Signature:

Alice Stafford Lutz
eSigned via SeamlessDocs.com
 Key: 438f4abd9b176e0d26fa145bc1c6428b

Date Signed:

12/22/2015

**CITY OF RALEIGH ARTS COMMISSION
2016-2017 ARTS GRANTS FUNDING RECOMMENDATIONS**

for presentation to City Council on April 6, 2016

Since its inception in FY90, the City's Arts Grant Program has been critical for the development of many of Raleigh's arts organizations, helping to bring vitality to our community and providing leverage for these nonprofit groups to attract corporate, foundation and other matching grants.

On March 29, the Arts Commission approved FY17 arts per capita funding recommendations as presented by its Grants Committee. Three Arts Commissioners and eight community representatives reviewed submitted materials and evaluated the applications based on the criteria from the Arts Grant Guidelines. Eleven meetings were held January through March, 2016 as part of the evaluation process. At the grants panel orientation meetings, the Finance Department presented findings from their review of applicant audit reports. Six applicant interview sessions followed, during which panelists questioned applicants about proposed programming and the health of their organizations, including finances, marketing, community engagement and governance. Two evaluation meetings were held to discuss applicant ratings before funding recommendations were determined at a final meeting of the Grants Committee.

Thirty-three organizations submitted applications requesting a total of \$2,001,708, about a \$117,000 or 6% increase compared to the year before. That increase is largely due to Raleigh arts and cultural organizations' budgetary growth. However, the rise in funding requests does not reveal the full scope of these organizations' budgetary growth as grant funding caps prevent some organizations from increasing their grant requests at the same pace as their operating budgets.

The Arts Grant Program provides funding in multiple grant categories with 19 operating support requests and 14 program support requests received. Three first-time applicants submitted grant requests – Meredith College, Raleigh St. Patrick's Day Committee and the Triangle Lebanese American Center – as well as one organization not funded since FY15 (Raleigh Dance Theatre). Only one FY16 grant recipient did not reapply.

The Arts Commission is grateful to City Council for its continued support of Raleigh's arts community through the Arts Grant Program and recommends that City Council approve the funding requests totaling \$1,792,930 as presented on the following pages.

2016-2017 ARTS PER CAPITA FUNDING RECOMMENDATIONS

Organization	Funded FY15	Funded FY16	Recommend. FY17	Requested FY17
Arts Access	\$14,595	\$16,496	\$16,037	\$18,000
Arts Together	\$147,013	\$150,209	\$164,603	\$174,050
Artspace	\$167,316	\$171,563	\$168,355	\$175,000
Artsposure	\$175,000	\$168,319	\$169,516	\$174,831
Burning Coal Theatre Company	\$89,762	\$84,515	\$91,722	\$120,000
Chamber Music Raleigh	\$32,638	\$33,650	\$26,917	\$31,162
Classical Voice of NC	\$11,054	\$10,416	\$14,049	\$20,000
Community Music School	\$36,450	\$38,133	\$39,630	\$43,000
Contemporary Art Foundation	\$129,071	\$113,875	\$152,124	\$175,000
El Pueblo, Inc.	\$24,125	\$22,670	\$23,514	\$25,000
International Focus	\$21,027	\$21,898	\$14,423	\$24,500
The Justice Theater Project	\$42,659	\$53,923	\$66,500	\$66,500
Marbles Kids Museum	\$14,394	\$13,880	n/a	n/a
Meredith College	n/a	n/a	\$0	\$15,000
NC Master Chorale	\$57,026	\$49,169	\$53,581	\$62,000
NC Museum of History Foundation	\$24,036	\$24,327	\$23,389	\$25,000
NC Opera	\$150,200	\$152,240	\$159,724	\$175,000
NC State University Theatre	\$13,939	\$12,177	\$15,224	\$20,000
NC Theatre	\$168,687	\$168,563	\$160,755	\$175,000
North Raleigh Arts & Creative Theatre	\$15,736	\$20,312	\$20,469	\$24,999
Nuv Yug Cultural Organization	\$14,105	\$13,640	\$14,522	\$18,000
Performance Edge	\$7,400	\$6,314	\$7,037	\$10,000
Philharmonic Association	\$17,803	\$14,888	\$23,007	\$25,000
PineCone	\$98,126	\$108,900	\$165,000	\$165,000
Raleigh Boychoir	\$22,063	\$21,094	\$25,473	\$30,000
Raleigh Civic Symphony Association	\$6,182	\$5,982	\$8,016	\$8,500
Raleigh Dance Theatre	\$4,789	n/a	\$6,059	\$7,900
Raleigh Little Theatre	\$23,569	\$23,991	\$23,505	\$25,000
Raleigh Review	\$4,750	n/a	n/a	n/a
The Raleigh Ringers	\$19,843	\$20,357	\$18,430	\$24,000
Raleigh St. Patrick's Day Parade	n/a	n/a	\$0	\$10,300
Raleigh Symphony Orchestra	\$20,452	\$18,034	\$18,421	\$21,466
Triangle Lebanese American Center	n/a	n/a	\$0	\$8,000
Visual Art Exchange	\$86,704	\$96,003	\$97,145	\$98,000
Wake Enterprises, Inc.	\$6,729	\$4,977	\$5,783	\$6,500
SUBTOTAL:	\$1,667,243	\$1,660,515	\$1,792,930	\$2,001,708
Arts Commission Programs	\$274,644	\$318,932	\$170,285	
Positions Funded by Per Capita	\$174,008	\$179,283	\$236,265	
SUBTOTAL:	\$448,652	\$498,215	\$406,550	
TOTAL ALL PER CAPITA FUNDS:	\$2,115,895	\$2,158,730	\$2,199,480	

2016-2017 per capita funds based on rate of \$5.00 per capita with population of 439,896 as of 7/01/15.

**CITY OF RALEIGH ARTS COMMISSION
FY17 ARTS GRANT PROPOSAL SUMMARIES**

OPERATING SUPPORT PROPOSALS

ARTS ACCESS

Arts Access is dedicated to making the arts in Raleigh accessible to and increasing participation by people with disabilities. The organization concentrates its efforts on providing audio description of live performances to people who are blind or have low vision; providing consulting services and training for arts organizations; advocating on behalf of arts patrons with disabilities; and offering online ADA resources, as well as information about upcoming events and programming statewide, on its website. By serving as a bridge between arts organizations and the disability community, Arts Access fulfills needs not addressed by any other organization in the region.

ARTS TOGETHER

As a community school for the arts, Arts Together cultivates individual creative strengths in preschoolers through adults in a diverse, inclusive, collaborative and nurturing environment. The organization is the only non-profit with a year-round arts education program that encompasses visual art, drama and dance in a multi-arts format. Its Multi-Arts Preschool develops kindergarten readiness skills using a multidisciplinary combination of arts and academics. During the summer, older students learn about science, history, ecology and more through the use of dance, drama, music, photography and painting in its camps. At the core of Arts Together's programming is a philosophy that all the arts are interrelated and that they should be available to all regardless of economic means.

ARTSPACE

Artspace encourages artist and community participation in the visual arts through access to exhibitions, open artist studios and art education classes – a combination that makes it truly unique. Artspace is the only arts center in Raleigh offering visual arts education for kindergartners through professional artists, along with exhibition spaces for local, regional and emerging artists, professional and emerging artist residencies, and an open studio environment. Artspace has always been and will continue to be free to the public, encouraging community members to explore the arts and inspire their own creativity. Artspace strives to eliminate whatever barriers may hinder community members from experiencing the enrichment of the artmaking process by offering scholarships to attend classes, outreach programs for at-risk and underserved youth, and partnerships with local social service organizations.

ARTSPLOSURE

Initially founded in 1978 as a committee of the Raleigh Arts Commission to present high-quality and accessible arts festivals and to identify, nurture and showcase artists to a broad cross-section of people, Artspllosure currently presents the Art Market at Wide Open Bluegrass, First Night Raleigh, the Second Sunday City Market Arts Fair, its namesake spring festival, and outreach and enrichment programs leading up to these public art celebrations. With activities designed for all ages, last year's festivals brought over 132,000 residents and visitors to downtown Raleigh. Artspllosure is one of approximately 50 organizations statewide designated by the North Carolina Arts Council as a State Arts Resource. This designation is determined by exemplary artistic merit, leadership, vision, program quality and service to the arts community.

BURNING COAL THEATRE COMPANY

Burning Coal Theatre Company is a professional theatre presenting challenging works in its Mainstage and Second Stage Series. Its education program (WillPower) presents residencies in schools, adult classes, a tour of a classic play to schools, a summer conservatory for students, a playwriting program for youngsters and a schools tour to New York City. With a mission to create literate, visceral, affecting theatre using a professional, indigenous company of artists, the theatre has built a reputation for supporting NC actors and directors, for showcasing new work by NC playwrights and for developing a series of site-specific history plays drawn from Raleigh's past. The theatre's home, the Murphey School, fills a need for small, rentable performance space and, as a result, has been booked for over 170 rentals in the past eight years by individuals, arts organizations and school groups.

CHAMBER MUSIC RALEIGH

During FY16, Raleigh Chamber Music Guild changed its name to Chamber Music Raleigh and modernized its brand image to better reflect its mission. One of the ten longest-running chamber music presenters in the country, the organization's mission is to promote and present chamber music in the greater Raleigh area. The nonprofit does this through two concert series: The Guild Series, which showcases national and international chamber music groups, and the Sights and Sounds Series, a unique collaboration with the North Carolina Museum of Art, in which performances by North Carolina musicians are thematically linked to a particular museum exhibition. The organization's Educational and Community Outreach division offers free events including educational concerts, master classes and interactive "music and Q&A sessions". These activities are held in churches, Wake County libraries, community centers and senior centers.

CLASSICAL VOICE OF NORTH CAROLINA

Based in Raleigh, Classical Voice of North Carolina publishes the CVNC.org website, a professionally written and edited arts journal covering individual artists and arts organizations of all sizes across North Carolina. The website educates and informs the public with reviews, feature stories, news and a statewide arts event calendar. CVNC's attention is particularly important to smaller arts groups and venues who typically cannot get coverage through corporate media outlets. As a service to local arts organizations, CVNC also partners with the Greater Raleigh Convention and Visitors Bureau to keep the arts listings on VisitRaleigh.com calendar current.

COMMUNITY MUSIC SCHOOL

Since 1994, the Community Music School has provided high-quality professional music education to children from economically disadvantaged situations. The nonprofit provides weekly private music instruction to over 100 students each year for \$1/lesson and loans instruments to its participants at no charge. Private instruction is enhanced by additional workshops, demonstrations by visiting artists, master classes, recitals and public performances in the community. The nonprofit is also the only school in North Carolina to offer the Berklee College of Music's Pre-University Learning System Experience program (PULSE). This online program provides students with opportunities for more intensive study of music theory, technique and history on their home computer and at the school's computer lab.

CONTEMPORARY ART FOUNDATION

The Contemporary Art Foundation, doing business as CAM Raleigh, is a non-collecting contemporary art museum and community gathering place. Each year, CAM produces three large-scale exhibitions in the Main Gallery, three Emerging Artist Series exhibitions in the Independent Weekly Gallery or Media Lab, and a number of smaller pop-up exhibitions and installations and an Art in the Workplace program. The exhibitions are accompanied by thematic and complementary programs and events.

THE JUSTICE THEATER PROJECT

The Justice Theater Project is a professional social advocacy theatre with a mission to call to the fore of public attention the needs of the poor, the marginalized and the oppressed through the use of the performing arts. Each of its four mainstage productions is centered upon a current social justice issue with the goal of creating community awareness, understanding and a discourse for social change. Integral to its productions are collaborative partnerships with social service organizations and community groups and the provision of expert speakers and pre- and post-show discussions at performances. Recognition of the theatre's work is increasing beyond Raleigh as evidenced by its recent designation as a State Arts Resource by North Carolina Arts Council, one of only about 50 organizations statewide. This designation is determined by exemplary artistic merit, leadership, vision, program quality and service to the arts community.

NORTH CAROLINA MASTER CHORALE

The mission of the North Carolina Master Chorale is to present exceptional performances of choral music, to promote the choral art and to enrich the cultural lives of singers, audiences, artistic communities and the community at large. Since its founding in 1942, the Master Chorale has evolved into a major regional performing arts group that works with over 250 artist-musicians each season, reaching an annual audience of about 19,000 choral enthusiasts. In addition to its regular five-concert season, the organization regularly contracts to perform with Carolina Ballet and was recently awarded the title of Resident Chorus of the North Carolina Symphony.

NORTH CAROLINA OPERA

North Carolina Opera is the Triangle's only professional opera company. The organization usually presents a three-production season, which for 2016-2017 includes Wagner's *Das Rheingold*, Mozart's *The Marriage of Figaro* and Puccini's *Turandot*. Now in its sixth season, the opera has built a reputation for high quality productions in a variety of locations ranging from Duke Energy Center's Memorial Auditorium to CAM Raleigh and Enloe High School. The nonprofit's youth education program, supported by the United Arts Council of Raleigh and Wake County, presents 15-20 schools programs each year. Its adult engagement program presents 12-20 open concerts annually at a variety of locations around the Triangle and includes offering master classes at local universities.

NORTH CAROLINA THEATRE

North Carolina Theatre is both a teaching theatre and a producing theatre as well as a presenter, in partnership with Broadway South, of national tours of musicals. The theatre's six-show season consists of two touring productions and four North Carolina Theatre productions, all performed at the Duke Energy Center and bringing over 50,000 people per year to downtown Raleigh. The theatre's education program includes both a year-round conservatory program for students ages 5-18 and outreach programs that go into schools in addition to working with Raleigh and Wake County social service agencies.

PHILHARMONIC ASSOCIATION

A 2012 Raleigh Medal of Arts recipient, the Philharmonic Association provides professional training to create opportunities for young musicians to learn, understand and perform all genres of great classical and jazz music. In response to the substantial cuts in music education by the public school system, this nonprofit has grown to a total of nine ensembles that serve over 525 youth annually. The organization has always accepted young musicians into its programs regardless of their ability to pay, and it reaches economically disadvantaged students not yet ready to perform through a teaching partnership with the Community Music School.

PINECONE, THE PIEDMONT COUNCIL OF TRADITIONAL MUSIC

Dedicated to preserving, presenting and promoting all forms of traditional music, dance and other folk performing arts, PineCone is the largest presenter of folk music in the state and focuses primarily on increasing the appreciation of North Carolina folk music and musicians through the provision of public performances, monthly jam sessions for musicians, education programs, a radio show and other activities. As a presenter, the nonprofit is best known for its Down Home Concerts series at the Duke Energy Center and its collaboration with the North Carolina Museum of History on the Music of the Carolinas Series, nine free concerts focused on North Carolina folk music and dance traditions. Having successfully spearheaded IBMA's move of its World of Bluegrass event to Raleigh in 2013, PineCone has been contracted by IBMA to produce its Wide Open Bluegrass Festival.

RALEIGH BOYCHOIR

For the past 48 years, the Raleigh Boychoir has educated boys with unchanged voices in the art of singing through various pedagogical approaches that facilitate meaningful learning of traditional boychoir music and preparation for performance opportunities. Over 50 boys participate in the choir, taking part in 20-25 engagements scheduled annually. The repertoire is demanding and includes sacred and secular classics, selections from musical theatre and a rich assortment of American folk and patriotic music. The Raleigh Boychoir tours regionally, nationally and internationally and has sung at New York City's Carnegie Hall, in Baltimore, Charleston, London and in Germany, among others.

THE RALEIGH RINGERS

The Raleigh Ringers are nationally recognized leaders in the field of handbell ringing. This advanced community handbell choir has commissioned more than 120 works to provide audiences with unique interpretations of sacred, secular and popular music, including well-known rock 'n roll songs arranged just for handbells. The quality of its performances have led to two collaborations with UNC-TV to record and broadcast its annual holiday concerts. The nonprofit also provides educational programming such as its annual Capital Area Handbell Festival that attracts 700+ ringers from across the state; its collaboration with the Community Music School on a free handbell program for underserved youth; and many other classes and workshops held at its Raleigh facility.

RALEIGH SYMPHONY ORCHESTRA

Soon to celebrate its 37th anniversary, the Raleigh Symphony Orchestra is dedicated to providing high-caliber performances and creative programming for citizens of all ages. As a semi-professional orchestra, the nonprofit serves as a cultural haven for avocational musicians who have been professionally trained but currently make their living in other fields, improving the quality of life for these residents as well as for their audiences. In addition to its annual Classical Series, Chamber Music Series and Family Series, the organization hosts a statewide concerto competition for young musicians ages 15-23, the winners of which have the opportunity to perform with the full orchestra. Begun in FY16 the organization's Dreammakers Project performs works for small ensembles composed by high school, undergraduate and graduate students.

VISUAL ART EXCHANGE

Visual Art Exchange (VAE) is a non-profit creativity incubator and gallery that supports and educates emerging, professional and student artists. Each year, Visual Art Exchange exhibits the work of more than 1,300 artists in 60+ exhibitions and hosts more than 70 educational programs. VAE also is the force behind SPARKcon – an interdisciplinary art and design festival in downtown Raleigh – and the Ignite Creativity Conference. The most important work VAE does is continuing education for both avocational and professional artists, giving them access to small business training and networking programs such as its new Ignite! Creativity Conference (an outgrowth of its successful Business of Being an Artist workshops), Launch (a retail incubator for artists) and monthly Artist Nights (peer critiques, demonstrations, business-minded lectures and networking events).

PROGRAM SUPPORT PROPOSALS

EL PUEBLO, INC. / *La Fiesta del Pueblo*

In September 2016 El Pueblo will produce La Fiesta del Pueblo downtown on City Plaza. Raleigh's largest and most diverse celebration of Latin American culture and arts, this one-day festival attracts over 20,000 Triangle residents to downtown Raleigh each year and features live music and dance, visual and folk art exhibits, educational booths and activities for the whole family.

INTERNATIONAL FOCUS, INC. / *The International Festival of Raleigh*

The International Festival of Raleigh will mark its 31st anniversary in 2016. This three-day event, featuring traditional ethnic dance, music, art, cuisine and culture, draws 25,000-30,000 people to the Raleigh Convention Center annually as over 65 international groups from around the Triangle celebrate and showcase their customs and traditions. The International Festival of Raleigh, with its unique variety of offerings, is the only event in the area that reflects and celebrates the wide diversity of people who call Raleigh home.

MEREDITH COLLEGE / *Capital City Girls Choir*

The college requested funding to support their community music education program, the Capital City Girls Choir. However, based on the grant program's evaluation criteria, the proposal was not strong enough for the Arts Commission to recommend that it be funded for FY17.

NORTH CAROLINA MUSEUM OF HISTORY FOUNDATION / *21st Annual American Indian Heritage Celebration and 16th Annual African American Cultural Celebration*

These two festivals showcase more than 300 artists and performers from North Carolina's American Indian and African American communities, bringing about 18,000 people to downtown Raleigh each year. The fall American Indian Heritage Celebration showcases intertribal dancers and regional drum groups, folk artists, and traditional storytelling. In January, the African American Cultural Celebration brings together cultural organizations and artists from across the state for a day of free arts performances, demonstrations and activities.

NC STATE UNIVERSITY THEATRE / *TheatreFest*

Begun in 1991, TheatreFest is a month-long, three-play rolling repertory season performed May through June at NCSU's Thompson Hall. What makes TheatreFest challenging for performers and intriguing for audiences is the unique scheduling of shows to be performed in rotation over a 30-day window. The productions primarily engage local and community artists, with the addition of some university students.

NORTH RALEIGH ARTS & CREATIVE THEATRE / *2016-2017 Theatre Season*

Founded in 2002, this up-and-coming community theatre, located above the Beltline in North Raleigh, plans a seven-show season of plays and musicals selected to appeal to a broad audience and performed by local residents.

NUV YUG CULTURAL ORGANIZATION / *India Fest – Your Gateway to India*

This two-day festival offers the Triangle an array of Indian classical, folk and modern dance and music performances as well as a traditional crafts bazaar and choice of cultural cuisines. Scheduled for the spring of 2017, the 14th annual India Fest will be held at the State Fairgrounds.

PERFORMANCE EDGE / *The Performance Edge Education & Performance Program*

This arts education program provides intensive individual and group vocal technique and performance training for high school and college students in Raleigh. Core programming consists of specialized workshops and a Summer Showcase musical theatre camp.

RALEIGH CIVIC SYMPHONY ASSOCIATION / 2016-2017 Concert Series

Unique in the Triangle for its regular performance of contemporary works of classical music, the organization produces an annual series of orchestral and chamber music concerts. Consisting of professional, avocational and college musicians in search of rarely-played and challenging material to perform, the nonprofit is a community resource for performers and audiences alike. While the organizations has historically supported emerging artists as performers, for its FY17 season, it plans to commission work from up and coming composers for each concert as well.

RALEIGH DANCE THEATRE / *The Seasons*

In a unique collaboration with the Triangle Youth Philharmonic (TYP), Raleigh Dance Theatre will produce *The Seasons* by Alexander Glazunov. The production will be danced by 25 of the company's dancers, ages 12-18, with accompaniment by 100 musicians of the Triangle Youth Philharmonic, presented in front of scenery designed and built by high school visual artists.

RALEIGH LITTLE THEATRE / *Teens on Stage/Teens Backstage*

This six-week summer conservatory program for high school students provides intensive training in acting and technical theatre techniques in addition to mounting a full-scale student production. For 2016, that production will be *Bat Boy: The Musical*, which deals with themes such as hypocrisy, acceptance, forgiveness, racism, revenge and scapegoating in conjunction with the influence of the media on public opinion and actions.

RALEIGH ST. PATRICK'S DAY PARADE COMMITTEE / 2017 Raleigh St. Patrick's Day Parade and Festival

The committee requested funding for the St. Patrick's Day Festival in downtown Raleigh. However, based on the grant program's evaluation criteria, the proposal was not strong enough for the Arts Commission to recommend that it be funded for FY17.

TRIANGLE LEBANESE AMERICAN CENTER / 18th Annual Lebanese Festival

The organization requested funding for its annual festival in downtown Raleigh. However, based on the grant program's evaluation criteria, the proposal was not strong enough for the Arts Commission to recommend that it be funded for FY16.

WAKE ENTERPRISES, INC. / *WE Create: An Arts Education Opportunity*

This program for people with disabilities will offer six arts education residencies over the course of the year. Each residency will include six to ten sessions. Teaching artists, trained to work with people with disabilities, will engage students in hands-on activities that focus on music, dance or visual art. Once each residency is completed, the class will attend an appropriate community event relating to what they have learned or performing artists will be brought to the facility.



Grants Committee
FY 16-17 Recommendations
Convene: Tuesdays and Thursdays
February 11th - 25th ; 9:00am – 3:00pm



Committee Members:

Tanzeel Chohan –HRC
Gail McDonald - HRC
Dr. Ricky Scott –HRC
WRenia Bratts-Brown – HRC
Brenda Sterrett -Wake County Human Services

Trent Cannady- SAAC
Hector Salgado – Agency
Dave Parnell –HRC
Amanda Smith – Triangle United Way

FY 16/17 Agency Applicants	Requested Amount	Final Recommended Amount
Avent West CDC	\$ 25,179.00	\$ 15,000.00
Boys & Girls Club	\$ 60,000.00	\$ 15,000.00
CASA	\$ 89,000.00	\$ 5,000.00
Community Partnerships	\$ 37,046.00	\$ 9,000.00
Community Success Initiative	\$ 40,000.00	\$ 15,000.00
Fellowship Home of Raleigh	\$ 35,000.00	\$ 8,500.00
FIGS (Filling in Gaps) of Wake County	\$ 12,000.00	\$ 12,000.00
Garner Road Community Center	\$ 20,000.00	\$ 15,000.00
Haven House	\$ 25,000.00	\$ 25,000.00
Hospice of Wake County dba Transitions LifeCare	\$ 35,000.00	\$ 25,000.00
Interact	\$275,000.00	\$ 5,000.00
Inter-Faith Food Shuttle	\$100,000.00	\$ 5,000.00
Legal Aid of North Carolina	\$ 50,000.00	\$ 5,000.00
LGBT	\$ 7,000.00	\$ 6,000.00
Meals of Wheels of Wake County	\$ 45,000.00	\$ 36,000.00
NC Theatre	\$ 11,250.00	\$ -
Nessie Foundation	\$ 16,250.00	\$ 15,000.00
PLM Families Together	\$ 25,000.00	\$ 25,000.00
Prevent Blindnes North Carolina	\$ 8,750.00	\$ 7,000.00
RLCB	\$ 10,000.00	\$ 5,000.00
Resources for Seniors	\$ 45,000.00	\$ 26,500.00
SAFEchild	\$ 30,000.00	\$ 25,000.00
South Light Healthcare	\$ 32,822.00	\$ 27,000.00
Southeast Wake Adult Daycare	\$ 72,800.00	\$ -
St Matthew Baptist Church CDC	\$ 3,603.00	\$ -
StepUp Ministry	\$ 22,000.00	\$ 22,000.00
TLC	\$126,056.00	\$ 5,000.00
Healing Transitions	\$125,000.00	\$ 5,000.00
The Hope Center at Pullen	\$ 50,000.00	\$ 15,000.00
Triangle Family Services	\$101,575.00	\$ 35,000.00
Urban Ministries of Wake County	\$ 30,000.00	\$ 30,000.00
Wake Enterprises	\$ 8,000.00	\$ 8,000.00
Wake Health Services DBA Advance Comm Hlth	\$ 45,600.00	\$ 25,000.00
Wake Interfaith Hospitality Network	\$ 30,000.00	\$ 18,000.00
Windows Of Opportunity	\$ 5,400.00	\$ -
Women's Center of Wake County	\$ 30,000.00	\$ 25,000.00
Total	\$1,684,331.00	\$ 520,000.00

Community Enhancement Grant Program

Background

The Community Development Division of the Housing & Neighborhoods Department holds an annual grant competition called the Community Enhancement Grant Program. Approximately \$175,000 of federal Community Development Block Grant (CDBG) fund this grant program. The program funds public services that support neighborhood improvements or innovative services for low- to moderate-income persons and neighborhoods. Administrative and indirect costs are not eligible expenses for this program. Applicants must be a 501(c)3. No organization can be funded more than 2 years consecutively.

Applications for fiscal year July 1, 2016—June 30, 2017 were made available in early November 2015. Two application workshops were held December 10 and 17, 2015. Completed applications were due January 8, 2016. The Review Committee consisted of staff from the Community Development and Community Engagement Divisions of the Housing & Neighborhood Department.

Applications Received

Eight applications were received; all met minimum threshold requirements. The applications and their scores are listed below:

Applicant	Amount Requested	Review Committee scoring <i>(100 points possible)</i>	Recommended funding
PLM Families Together	\$28,600	71.5	\$22,500
StepUp Ministry	\$60,000	65.5	\$43,000
Community in Schools *	\$60,000	64.0	\$51,600
The Green Chair Project *	\$49,881	63.0	\$26,900
Inter-Faith Food Shuttle	\$40,000	62.0	\$31,000
Passage Home	\$53,690	60.0	\$0
Lucy Daniels Center *	\$60,000	56.5	\$0
Guiding Lights	\$24,080	55.0	\$0
Totals	\$376,251		\$175,000
<i>* These agencies currently have a Community Enhancement Grant in FY 2015-2016. No agency can receive a CE grant for more than 2 years in a row.</i>			

Review Committee Recommendations

Five projects are recommended for funding, though none were recommended for complete funding, explained below. The amount recommended for each was derived through a two-step process: (1) Expenses found ineligible or not recommended were subtracted; (2) The balance was multiplied by .86, to equitably distribute the limited funds available without compromising the viability of the programs being offered.

Brief descriptions of each are included below.

Programs Recommended for funding

PLM Families Together: Housing Advocacy Services

PLM Families Together helps homeless or unstably housed families find housing. PLM assists these families through counseling and housing services to remain stably housed. The Housing Advocacy Services program will increase the number of landlords PLM works with from 18 to 25, thus increasing the number of landlords willing to rent to ex-offenders and those with poor credit history, prior evictions, and low income. PLM will conduct twice monthly life skills training workshops assisting families with household budgeting, consumer credit, tenants’ rights and responsibilities, eviction and housing law, finding and keeping employment.

Housing Advocacy Program	
<i>Funds Requested</i>	<i>Recommendation</i>
\$28,600	\$22,500
<i>Note: Request for admin (\$2,600) removed.</i>	

StepUp Ministry: Jobs Training & Placement Program

StepUp Ministry Job Training & Placement Program provides 32 hours of work readiness, soft skills, and job retention training for low-income and homeless individuals. The program partners with several churches, businesses, community organizations, and volunteers. The program expects to serve approximately 400 individuals ages 18-55. At least 75% of those in the program will secure employment and at least 75% of those will still be employed after 6 months.

Jobs Training & Placement Program	
<i>Funds Requested</i>	<i>Recommendation</i>
\$60,000	\$43,000
<i>Note: Request for admin (\$6,000) removed.</i>	

Communities in Schools: SMART Academy (Project-Based Learning)

Communities in Schools SMART Academy works with the Wake County Public School System, the Raleigh Housing Authority, and parents to supplement instruction received in the classroom for low-income students. CIS offers K-12 at-risk students project-based learning (science projects), interactive instruction, and small group instruction during and after school for up to 44 weeks per academic year. Classes are offered by certified teachers on-site at RHA developments. The

focus is on STEM subjects: science, technology, engineering, and math. These classes will serve approximately 280 low-income students.

SMART Academy	
<i>Funds Requested</i>	<i>Recommendation</i>
\$60,000	\$43,000
<i>Note: Amount requested was reduced to distribute funds among the top five awarded applications.</i>	

The Green Chair Project: 5 4 FREE Complimentary Pick Up Service

The Green Chair Project 5 4 FREE Complimentary Pick Up Service provides quality home furnishings for families transitioning from homelessness into permanent housing. Home furnishings include couches, loveseats, side chairs, dining tables, chair sets, and dressers.

The Review Committee recommends funding the portion of this application that serves families transitioning from homelessness.

Amount requested for van (\$17,230) and security system (\$1,503) are not recommended to be funded. Both are considered organizational capital improvement. The focus of the CEG program is public service provision that benefits low- to moderate-income households.

The Green Chair Project	
<i>Funds Requested</i>	<i>Recommendation</i>
\$49,881	\$26,900

Inter-Faith Food Shuttle: Culinary Job Training Internship Program

The Inter-Faith Food Shuttle Culinary Job Training Internship Program will provide hands-on kitchen experience preparing meals to support expanded food delivery services run by IFFS. All interns will be low-income individuals who have faced or are facing homelessness, chronic under- or unemployment, mental illness or a history of substance abuse. An additional 12 individuals will participate in the program over the year made possible by this grant. Interns will work as kitchen staff for pay under supervision and receive supportive services outside the program for up to 36 months. At least 60% of interns will obtain and maintain employment for at least one year. IFFS has run this program for 17 years. Amount requested for admin (\$4,000) removed prior to multiplying by 0.86.

Inter-Faith Food Shuttle	
<i>Funds Requested</i>	<i>Recommendation</i>
\$40,000	\$30,960

Programs Not Recommended for funding

Passage Home: Culinary Jobs Training Program

Passage Home Culinary Jobs Training Program is a proposed new program for teaching culinary skills for low-income individuals. Participants would be paid stipends. There would be two job trainings per year. The curriculum has not yet been developed. Job shadowing is a part of the proposed program. Seven of the 12-16 participants for the year are expected to graduate from the program.

The proposed program would be new and the details have yet to be finalized. The Review Committee recommends funding a similar program by Inter-Faith Food Shuttle that has operated successfully for 17 years and give Passage Home time to work out the detail for their proposed program.

Passage Home	
<i>Funds Requested</i>	<i>Recommendation</i>
\$53,690	\$0

Lucy Daniels Center: SecurePath

The Lucy Daniels Center SecurePath program provides mental health services and limited casework in English and Spanish to underserved children birth through age 5/or kindergarten entry who are experiencing behavioral/emotional challenges. All households served are uninsured, below poverty, or receiving Medicaid. Approximately 40% are Spanish-speaking. Services are provided to parents/caregivers, as well. Most services are provided in the home.

The total cost for the program is listed in the application as \$415,711. However, available funds identified for the program that have been approved total \$672,000, well over the stated program budget. This indicates no financial need for City funds.

Lucy Daniels Center	
<i>Funds Requested</i>	<i>Recommendation</i>
\$60,000	\$0

Guiding Lights Nurse Aid (NA1) Training and Refresher Course

Guiding Lights Nurse Aid (NA1) Training and Refresher Course prepares students to become certified NA1s and also provides a path to further education as a nurse. Funds are requested to support the expansion of job training for low-income residents of Raleigh. Funds requested would pay for scholarships for 32 NA1 students. Six courses will be offered, with 10 students per course. 90% of

students will graduate; 90% of graduates will pass the state exam and get jobs within 2 months; 90% will still be employed after 12 months.

Based on this program's budget, almost 42% of requested funds are for administrative functions, which are not eligible under this grant. The analysis of the organization by the City of Raleigh Finance Department contributed to the score given by the Review Committee and the recommendation not to fund.

Guiding Lights	
<i>Funds Requested</i>	<i>Recommendation</i>
\$24,080	\$0

Agency Grant Funding Summary

COMMUNITY ENHANCEMENT GRANTS SUMMARY

	FY15 <u>ADOPTED</u>	FY16 <u>ADOPTED</u>	FY17 AGENCY <u>REQUEST</u>	FY17 PANEL <u>RECOMMEND</u>	% CHANGE FY16 to FY17
Community Success Initiative	13,500	-	-	-	
Families Together (<i>formerly PLM Families Together</i>)	-	-	28,600	22,500	
Habitat for Humanity of Wake County	17,500	-	-	-	
InterAct	35,000	-	-	-	
Interfaith Food Shuttle	-	-	40,000	31,000	
Literacy Council of Wake County	20,000	-	-	-	
StepUp Ministry	35,000	-	60,000	43,000	
Guiding Lights	12,000	-	24,080	-	
Passage Home	-	-	53,690	-	
Wake Interfaith Hospitality Network	35,000	-	-	-	
Communities in Schools Wake County	-	47,537	60,000	51,600	
Lucy Daniels Center	-	42,000	60,000	-	
The Green Chair Project	-	36,738	49,881	26,900	
The Hope Center at Pullen	-	48,725	-	-	
TOTAL COMMUNITY ENHANCEMENT	\$ 168,000	\$ 175,000	\$ 376,251	\$ 175,000	0.0%

ARTS AGENCY SUMMARY

	<u>FY15 ADOPTED</u>	<u>FY16 ADOPTED</u>	<u>FY17 AGENCY REQUEST</u>	<u>FY17 ARTS COMMISSION RECOMMEND</u>	<u>% CHANGE FY16 to FY17</u>
Arts Per Capita Funding					
Arts Access	14,595	16,496	18,000	16,037	
Arts Together	147,013	150,209	174,050	164,603	
Artspace	167,316	171,563	175,000	168,355	
Artsposure	175,000	168,319	174,831	169,516	
Burning Coal Theatre Company	89,762	84,515	120,000	91,722	
Chamber Music Raleigh (formerly Ral. Ch. Mus.)	32,638	33,650	31,162	26,917	
Classical Voice Of NC	11,054	10,416	20,000	14,049	
Community Music School	36,450	38,133	43,000	39,630	
Contemporary Art Foundation	129,071	113,875	175,000	152,124	
El Pueblo, Inc.	24,125	22,670	25,000	23,514	
International Focus, Inc.	21,027	21,898	24,500	14,423	
Justice Theater Project	42,659	53,923	66,500	66,500	
Marbles Kids Museum	14,394	13,880	-	-	
Meredith College	-	-	15,000	-	
NC Master Chorale	57,026	49,169	62,000	53,581	
NC Museum History Foundation	24,036	24,327	25,000	23,389	
NC Opera	150,200	152,240	175,000	159,724	
NC State University Theatre	13,939	12,177	20,000	15,224	
NC Theatre	168,687	168,563	175,000	160,755	
North Raleigh Arts & Creative Theatre	15,736	20,312	24,999	20,469	
Nuv Yug Cultural Organization	14,105	13,640	18,000	14,522	
Performance Edge	7,400	6,314	10,000	7,037	
Philharmonic Association	17,803	14,888	25,000	23,007	
PineCone	98,126	108,900	165,000	165,000	
Raleigh Boychoir	22,063	21,094	30,000	25,473	
Raleigh Civic Symphony Association	6,182	5,982	8,500	8,016	
Raleigh Dance Theatre	4,789	-	7,900	6,059	
Raleigh Little Theatre	23,569	23,991	25,000	23,505	
Raleigh Review	4,750	-	-	-	
Raleigh Ringers	19,843	20,357	24,000	18,430	
Raleigh St. Patrick's Day Parade Committee	-	-	10,300	-	
Raleigh Symphony Orchestra	20,452	18,034	21,466	18,421	
Triangle Lebanese American Center	-	-	8,000	-	
Visual Art Exchange	86,704	96,003	98,000	97,145	
Wake Enterprises, Inc.	6,729	4,977	6,500	5,783	
Subtotal Arts Agency Grants	1,667,243	1,660,515	2,001,708	1,792,930	8.0%
City of Raleigh Arts Commission Programs	274,644	279,301	170,286	170,286	(39.0%)
Arts Commission Staff Support	174,008	218,914	236,264	236,264	7.9%
Total Arts Per Capita	\$2,115,895	\$2,158,730	\$2,408,258	\$2,199,480	2%
	<u>FY15 ADOPTED</u>	<u>FY16 ADOPTED</u>	<u>FY17 AGENCY REQUEST</u>	<u>FY17 BUDGET ASSUMPTIONS</u>	<u>% CHANGE FY16 To FY17</u>
Other Arts Agency Appropriations					
Carolina Ballet	250,000	250,000	250,000	250,000	0.0%
NC Symphony	200,000	200,000	200,000	200,000	0.0%
Raleigh Little Theatre	84,000	84,000	84,000	85,680	2.0%
Theatre In The Park	39,500	39,500	39,500	40,290	2.0%
Wakefield Band Expo	1,350	-	-	-	0.0%
Total Other Arts Agencies	\$574,850	\$573,500	\$573,500	\$575,970	0.4%
TOTAL ALL ARTS FUNDING	\$2,690,745	\$2,732,230	\$2,981,758	\$2,775,450	1.6%

HUMAN SERVICE AGENCY SUMMARY

	<u>FY15 ADOPTED</u>	<u>FY16 ADOPTED</u>	<u>FY17 AGENCY REQUEST</u>	<u>FY17 HRC RECOMMEND</u>	<u>% CHANGE FY16 to FY17</u>
HUMAN RELATIONS COMMISSION					
Communities in Schools of Wake Co	5,000	-	-	-	
Uniting NC	10,000	-	-	-	
Advance Community Health	20,000	-	45,600	25,000	
Aids Service Agency	14,000	14,000	-	-	
Aventwest Community Dev Corp	12,500	12,500	25,179	15,000	
Boys & Girls Club	-	-	60,000	15,000	
Casa Agency	5,000	5,000	89,000	5,000	
Community Partnerships	8,000	8,000	37,046	9,000	
Community Success Initiative	-	5,000	40,000	15,000	
Fellowship Home of Raleigh	-	5,000	35,000	8,500	
Filling In Gaps	10,000	10,000	12,000	12,000	
Garner Rd Community Center	11,500	12,000	20,000	15,000	
Guiding Lights	-	2,500	-	-	
Haven House	25,000	25,000	25,000	25,000	
Healing Transitions (The Healing Place)	-	5,000	125,000	5,000	
Hope Center	10,000	12,000	50,000	15,000	
HopeLine Inc.	-	5,000	-	-	
Transitions LifeCare (Hospice)	25,000	25,000	35,000	25,000	
Interact	25,000	25,000	275,000	5,000	
Inter-Faith Food Shuttle	5,000	5,000	100,000	5,000	
Legal Aid Of North Carolina	5,000	5,000	50,000	5,000	
Lesbian, Gay, Bisexual, Transgender	5,000	5,000	7,000	6,000	
Love In Action	-	1,000	-	-	
Meals On Wheels	35,000	35,000	45,000	36,000	
NC Theatre	-	5,000	11,250	-	
Nessie Foundation	10,000	13,000	16,250	15,000	
Pan Lutheran Ministries	25,000	25,000	25,000	25,000	
Phi Lambda Educational Foundation	-	1,000	-	-	
Prevent Blindness Of NC	7,000	7,000	8,750	7,000	
Resources For Seniors	25,000	25,000	45,000	26,500	
RLCB	-	-	10,000	5,000	
St Matthew Baptist Church CDC	-	-	3,603	-	
Safechild	22,000	25,000	30,000	25,000	
SE Wake Adult Daycare	25,000	25,000	72,800	-	
Southlight	18,000	25,000	32,822	27,000	
Step Up Ministry	22,000	22,000	22,000	22,000	
Tammy Lynn Ctr	5,000	5,000	126,056	5,000	
Triangle Family Services	32,000	32,000	101,575	35,000	
Urban Ministry Ctr	30,000	30,000	30,000	30,000	
Wake Enterprises	8,000	8,000	8,000	8,000	
Wake Interfaith Hosp Network	15,000	15,000	30,000	18,000	
Windows of Opportunity	-	-	5,400	-	
Womens Center	25,000	25,000	30,000	25,000	
Total Human Relations Commission	\$ 500,000	\$ 510,000	\$ 1,684,331	\$ 520,000	2.0%

HUMAN SERVICE AGENCY SUMMARY (continued)

	FY15 <u>ADOPTED</u>	FY16 <u>ADOPTED</u>	FY17 AGENCY <u>REQUEST</u>	FY17 BUDGET <u>ASSUMPTIONS</u>	% CHANGE <u>FY16 to FY17</u>
Other Human Service Agencies					
Casa Agency	84,000	84,000	-	84,000	
Healing Transitions (The Healing Place)	100,000	95,000	-	95,000	
InterAct	50,000	50,000	-	50,000	
Interfaith Food Shuttle	95,000	95,000	-	95,000	
Legal Aid Of North Carolina	45,000	45,000	-	45,000	
Tammy Lynn Ctr	95,000	95,000	-	95,000	
Total Other Human Service Agencies	\$ 469,000	\$ 464,000	\$ -	\$ 464,000	0.0%
TOTAL HUMAN SERVICE AGENCY FUNDING	\$ 969,000	\$ 974,000	\$ 1,684,331	\$ 984,000	1.0%

OTHER OUTSIDE AGENCY SUMMARY

	FY15 <u>ADOPTED</u>	FY16 <u>ADOPTED</u>	FY17 AGENCY <u>REQUEST</u>	FY17 BUDGET <u>ASSUMPTIONS</u>	% CHANGE <u>FY16 to FY17</u>
No Funding Requested in FY17 - Econ Dev					
Blue Ridge Alliance	50,000	-	-		0.0%
New Bern Alliance	50,000	-	-		0.0%
Recurring Agencies - Economic Development					
Chamber of Commerce	170,000	170,000	170,000	170,000	0.0%
Downtown Raleigh Alliance	108,450	108,450	131,250	108,450	0.0%
Hillsborough Street CSC	131,000	125,513	133,000	125,513	0.0%
SE Raleigh Assembly	207,000	155,981	150,000	101,829	(34.7%)
Recurring Agencies - Other					
African American Cultural Festival	75,000	61,547	48,103	48,103	(21.8%)
DHIC	108,000	108,000	108,000	108,000	0.0%
Catholic Charities	51,000	51,000	51,000	51,000	0.0%
Passage Home	90,000	90,000	100,000	90,000	0.0%
Transitions Life Care (Hospice)**	-	62,500	62,500	62,500	0.0%
New Agency Requests in FY17					
Boys & Girls Club*	50,000	50,000	76,463	-	0.0%
Nessie Foundation	-	-	180,000	-	0.0%
Advance Community Health	-	-	450,000	-	0.0%
The Daniel Center for Math & Science	-	-	25,000	-	0.0%
Triangle Family Services	-	-	50,000	-	0.0%
Food Bank of Central & Eastern NC	-	-	500,000	-	0.0%
Other Outside Agency Reserve	-	197,500	-	265,096	34.2%
TOTAL OTHER OUTSIDE AGENCIES	\$ 1,090,450	\$ 1,180,491	\$ 2,235,316	\$ 1,130,491	(4.2%)

**City of Raleigh
North Carolina**



Funding for Affordable Housing

**Housing and Neighborhoods
Department**

TODAY'S AGENDA

- **Affordability Challenge Review**
- **Historic funding and investment review**
- **Recap of adopted Affordable Housing Plan**
- **Permanent Funding Source Options**

2

CITY OF RALEIGH'S STRATEGIC PLAN

Safe, Vibrant & Healthy Community

- **Objective 2:**
Preserving and increasing the supply of affordable housing.
- **Objective 3:**
Creating walkable, mixed-use and mixed-income neighborhoods.

3

KEY DEFINITIONS

- **Cost Burdened:** More than 30% of income for housing and utilities
- **Severely Cost Burdened:** More than 50%
- **Combined Housing/Transportation Metric:** "Cost Burdened" if paying more than 45% for housing, utilities and transportation.

4

COMPONENTS OF THE AFFORDABILITY CHALLENGE

- Strong demand for near-downtown living (national trend).
- Resulting rise in property values and loss of existing affordable housing.
- Weak links to transit planning.
- Diminished role of the federal government.

5

Cost Burdened Renters By Income	Housing Expense Exceeds 30% of Income	Housing Expense Exceeds 50% of Income
Income <= 30% AMI	14,290	12,300
Income >30% to <=50% AMI	11,830	3,640
Income >50% to <=80% AMI	<u>5,789</u>	<u>489</u>
Total	31,909	16,429

Cost Burdened Homeowners by Income	Housing Expense Exceeds 30% of Income	Housing Expense Exceeds 50% of Income
Income <= 30% AMI	3,003	2,473
Income >30% to <=50% AMI	3,448	1,888
Income >50% to <=80% AMI	<u>6,486</u>	<u>1,884</u>
Total	12,937	6,245

6

ACCOMPLISHMENTS HIGHLIGHTS

- Affordable Housing Location Policy
- Affordable Housing Improvement Plan
- Neighborhood Revitalization Strategy Area Plan
- Successful launch of 4% bond program
- Affordable housing preserved on three sites by CASA

7

WASHINGTON TERRACE (BEFORE)



8

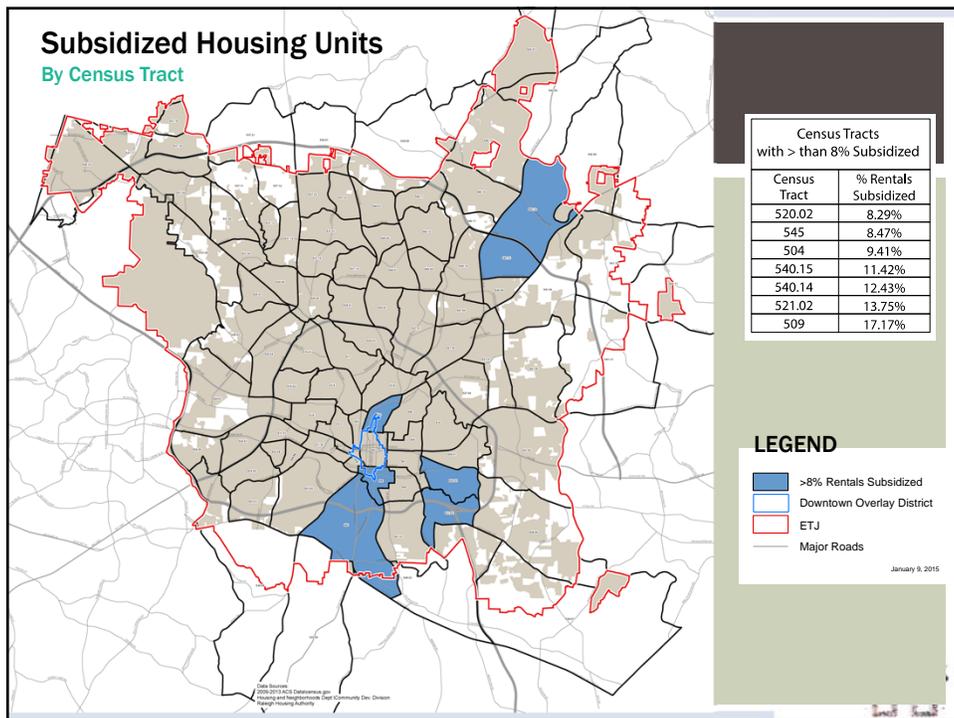
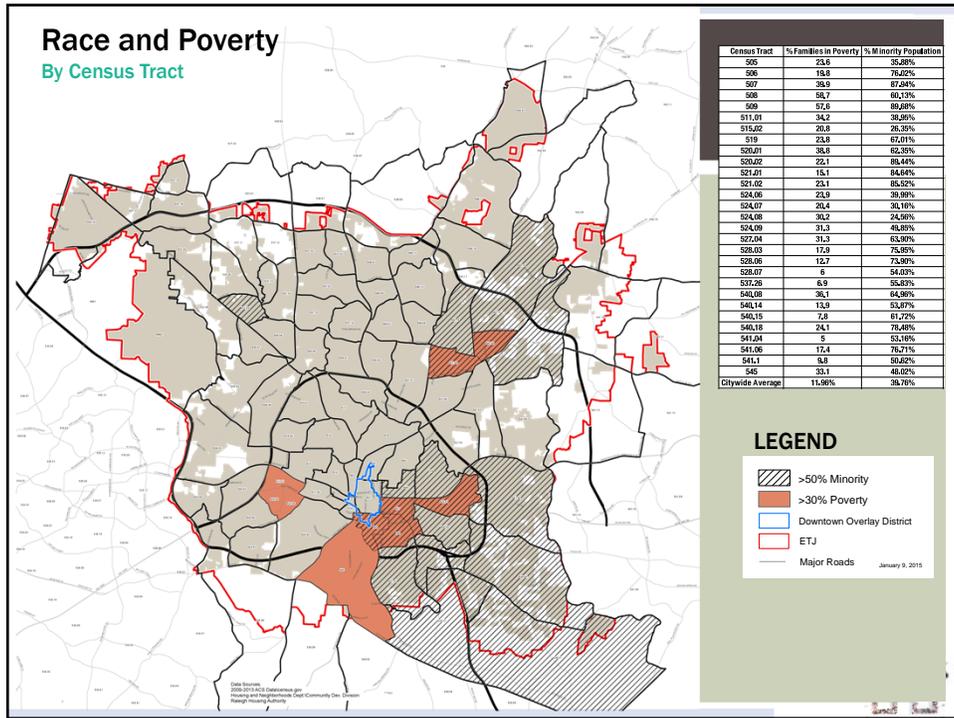
WASHINGTON TERRACE PROJECT



AFFORDABLE HOUSING LOCATION POLICY

- Applies only to newly constructed rental projects > 24 units.
- Exempts projects for the elderly or disabled.
- Not allowed in areas having minority, low income or subsidized concentrations.
- Exceptions to the concentrations prohibition:
 - Proximity to transit
 - Within the boundaries of the Downtown Element
 - Implementing elements of neighborhood revitalization plan approved by City Council

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MAJOR OBJECTIVES OF THE AFFORDABLE HOUSING PLAN

- Emphasize increasing the supply of affordable rental units.
- More strategically influence location.
- Maximize development capacity.
- Preserve existing affordable units.
- Maintain diversity and housing choice in near downtown neighborhoods.

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**HISTORIC FUNDING AND INVESTMENTS
(5 YEAR ANNUAL AVERAGES)**

		<u>Amount</u>	<u>Units/Year</u>
Rental Development	HUD Funds	\$1,490,372	75
	Bond Funds	\$ 565,600	83
Homeowner Rehab	HUD Funds	\$ 650,000	10
	Bond Funds	\$ 325,000	5
Homeowner Repair	HUD Funds	\$ 0	0
	Bond Funds	\$ 300,000	35
Homebuyer Loans	HUD Funds	\$ 0	0
	Bond Funds	\$ 1,200,000	60
Neighborhood Revitalization	HUD Funds	\$ 800,000	0
	Bond Funds	\$ 200,000	0

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**RECAP OF BOND FUNDS, COMMITMENTS,
PENDING COMMITMENTS**

Estimated Resources as of February 2016	\$18,422,648
Commitments Against Available Funds	
Multi-Purpose Intake Center	(1,648,000)
Rental Developments	(9,050,000)
First Time Homeownership	(635,000)
Homeowner Rehab	(300,529)
2016 Housing Credit Applications	<u>(3,900,000)</u>
Total Commitments:	(\$15,533,529)
 Estimated Available Resources after Commitments:	 \$2,889,119

RENTAL DEVELOPMENTS

Commitments: \$ 9,050,000

■ DHIC's Villages at Washington Terrace	162 units	\$ 6.8 M
■ CASA's Sunnybrook Village Apartments	42 units	\$ 1.5 M
■ Taft Development Group's Wakefield Commons Apartments	80 units	\$750 K

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2016 HOUSING CREDIT APPLICATIONS

**Commitments pending City Council Approval:
\$ 3,900,000**

■ DHIC's Capital Towers	298 units	\$ 2.8 M
■ Steele Properties' Raleigh North & Millbank Court	229 units	\$ 1.1 M

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**AFFORDABLE HOUSING IMPROVEMENT
PLAN COMPONENTS**

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**SINCE 9% LOW INCOME HOUSING TAX CREDIT FULLY
UTILIZED IN WAKE COUNTY – SOLICIT AND SUPPORT
4% PROJECTS**

- Up to \$6.8 million committed to Village at Washington Terrace (162 units)
- Reviewing two applications requesting \$3.9 million for the preservation of 527 units.

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**CARLTON PLACE
80 UNITS
CITY SUBSIDY \$15,000 PER UNIT**



**PROVIDE SITE ACQUISITION ASSISTANCE FOR
LIHTC PROJECTS IN STRATEGIC LOCATIONS**

- Near planned transit improvements
- Near downtown

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INFILL HOMEOWNERSHIP DEVELOPMENT PROGRAM

- Gap financing for acquisition and redevelopment of blighted properties.
- Good fit for Habitat

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HABITAT FOR HUMANITY



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AFFORDABLE RENTAL PRESERVATION / CREATION

- **Forgivable loans for acquisition of smaller properties (40% affordable; 60% market rate)**
- **Open application window for public/private redevelopment partnerships (the Washington Terrace model)**

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DEVELOPMENT OF DOWNTOWN NEIGHBORHOOD REVITALIZATION PLANS

**Neighborhood Revitalization Strategy Area (NRSA)
Plan approved by Council for College Park and
Washington Terrace area.**

- **Allows for mixed-income homeownership on sites acquired with CDBG funds**
- **Makes applications for 9% LIHTC projects more competitive**

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PERMANENT AFFORDABLE HOUSING FUNDING SOURCE OPTIONS

PERMANENT AFFORDABLE HOUSING FUNDING SOURCE OPTIONS

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OPTION 1: DOWNTOWN SYNTHETIC TIF (VALUE CAPTURE)

Finance calculation: Capturing 50% of the increase in property tax revenues in FY17 would equal only \$84,000.

Program	Amount	Units Added to Historic Production Levels
Rental Development*	\$84,000 (In FY 17)	0

* Gap financing for 4% bond projects, preservation of existing units and site acquisition assistance.

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OPTION 1: DOWNTOWN SYNTHETIC TIF (VALUE CAPTURE)

Synthetic TIF assumptions:

- Modeled using the existing downtown service district boundary
 - District size represents less than one square mile and 90 blocks
- Downtown Service District annual growth – 2.01% over revaluation period
 - District size is 3.65% of city-wide tax base
- Calculated using the proposed revenue neutral rate \$.3983

	Raleigh		Downtown MSD @ Raleigh Rate		Downtown MSD % of All Raleigh
Revalued 2017 Base	57,407,000,000		2,098,022,766		3.65%
Annual Growth	1.8%		2.01%		
Revalued Base Estimated Annual Growth	1,016,273,422		42,161,380		4.15%
Taxes from Growth	4,047,334		167,909		4.15%
50% of Tax Growth	2,023,667		83,954		4.15%

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OPTION 2: GENERAL FUND ALLOCATION TO AFFORDABLE HOUSING

Program	Amount	Units Added to Historic Production Levels
<u>0.5 cents of property taxes for FY17 Rental Development* annually</u>	\$2,850,000	50-75 units
Pros:		
<ul style="list-style-type: none"> ▪ Can provide significant funding without incurring debt ▪ Amount will continue to increase with growth ▪ Simple and straightforward 		
Cons:		
<ul style="list-style-type: none"> ▪ Allocation would require property tax rate increase or forego other City needs 		
<p>* Gap financing for 4% bond projects, preservation of existing units and site acquisition assistance.</p>		

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OPTION 2: GENERAL FUND ALLOCATION TO AFFORDABLE HOUSING

Program	Amount	Units Added to Historic Production Levels
<u>1 cent of property taxes for FY17</u>		
Rental Development* annually	\$5,700,000	100-150 units

Pros:

- Can provide significant funding without incurring debt
- Amount will continue to increase with growth
- Simple and straightforward

Cons:

- Allocation would require property tax rate increase or forego other City needs

* Gap financing for 4% bond projects, preservation of existing units and site acquisition assistance.

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**OPTION 3: SCHEDULED BOND ISSUANCES
(IN AMOUNTS EQUALING 0.5 OR 1 CENT ON THE TAX RATE ANNUALLY)**

Production level would be the same as Option 2.

Pros:

- Allows more direct matching up funding needs to evolving housing plans
- Has direct voter participation in approving bonds for set purposes
- Bonds issues can be delayed or amounts changed if conditions warrant

Cons:

- Involves ongoing referendum processes to get approval for bonds with risks of non-approval
- Future funding requirements must be projected well in advance
- Includes issuance costs for every bond issue
- Not a permanent recurring source

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ILLUSTRATIVE SOURCES WITHOUT PERMANENT FUNDING SOURCE		
ANNUAL SOURCES		
Federal HOME Funds	Federal CDBG Funds	Total
\$1,500,000	\$2,800,000	\$4,300,000

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ILLUSTRATIVE USES WITHOUT PERMANENT FUNDING SOURCE				
ANNUAL USES	Federal HOME Funds	Federal CDBG Funds	Total	Annual Production
▪ Rental Development	850,000	0	850,000	75
▪ Homeowner Rehab Loans	650,000	0	650,000	10
▪ Homeowner Repair Loans	0	300,000	300,000	35
▪ Homebuyer Loans	0	1,200,000	1,200,000	60
▪ Neighborhood Revitalization	0	1,000,000	1,000,000	0
▪ Infill Homeownership		300,000	300,000	10
Sum Total of Uses	\$1,500,000	\$2,800,000	\$4,300,000	190

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ILLUSTRATIVE SOURCES WITH PERMANENT FUNDING SOURCE		
<u>Annual</u>		
Federal HOME Funds	Federal CDBG Funds	Local Funds
\$1,500,000	\$2,800,000	\$5,700,000

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ILLUSTRATIVE USES WITH PERMANENT FUNDING SOURCE					
<u>ANNUAL</u> :	Federal HOME Funds	Federal CDBG Funds	Local	Annual Production	Change in Annual Production
▪ Rental Development	850,000	0	5,000,000	200	+ 125
▪ Homeowner Rehab Loans	650,000	0	700,000	20	+ 10
▪ Homeowner Repair Loans	0	300,000	0	35	0
▪ Homebuyer Loans	0	1,200,000	0	60	0
▪ Neighborhood Revitalization	0	1,000,000	0	0	0
▪ Infill Homeownership	0	300,000	0	10	0
Sum Total of Uses	\$1,500,000	\$2,800,000	\$5,700,000		
Total Annual Production:				325	+135

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Expanding affordable housing choice is essential to maintaining the high quality of life that Raleigh enjoys.

To remain a leading City in the creation of affordable housing, a permanent funding source is needed.

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*City of Raleigh
North Carolina*

Inter-Office Memorandum

DATE: March 30, 2016

TO: Mayor Nancy McFarlane and Members of City Council

FROM: Larry M. Jarvis, AICP
Director, Housing and Neighborhoods Department

SUBJECT: April 6, 2016 Budget Work Session

In preparation for the upcoming work session to discuss funding for affordable housing we are providing copies of the Affordable Housing Location Policy and the Affordable Housing Improvement Plan which were approved by Council on September 1, 2015 and October 20, 2015 respectively. A brief review of both is included in the presentation.

Also attached is a table depicting production levels if local funds for affordable housing are approved. For illustrative purposes, local funding in the amount of \$5.7 million is shown.

City of Raleigh Affordable Housing Location Policy

Objectives

The purpose of the Affordable Housing Location Policy is to set forth desired outcomes relative to the creation or preservation of affordable multi-family rental housing with the overall goal of affirmatively furthering fair housing choice for all residents. Specific objectives of the Policy include the following:

- To increase the supply of affordable housing in underserved locations near employment and commercial centers;
- To encourage the development of affordable housing near existing and proposed transit services;
- To provide for affordable housing in and near downtown Raleigh and in neighborhoods having approved revitalization plans; and,
- To prevent further concentrations of minority and low-income persons and subsidized housing.

Exemptions

This policy shall apply to any multi-family rental development that is funded in whole or in part by the City of Raleigh or requires the approval of City Council with the following exemptions:

- The rehabilitation of existing units.
- Developments serving elderly or disabled populations.
- The replacement of affordable rental units lost to demolition or conversion subject to a determination by the Housing and Neighborhoods Department and subsequent approval by City Council that the proposed replacement housing will serve the same market area or neighborhood.

Geographic Applicability and Exceptions

As a means of implementing this policy, newly constructed subsidized multi-family housing developments will not be allowed in census tracts having a concentration of minority or low-income persons or subsidized rental housing unless the proposed project qualifies for one or more of the following exceptions:

- Developments located within a one-half mile radius of a proposed rail or bus rapid transit station;
- Development located within one-half mile of a transit stop served at intervals of 15 minutes or better in each direction throughout the day;
- Developments located within the boundaries of the Downtown Element in the Comprehensive Plan; or
- Developments which are implementing elements of a mixed-income neighborhood revitalization plan approved and funded by City Council.

Waiver Process

City Council has the authority to grant waivers on a case-by-case basis. Developers seeking a waiver shall submit a written request to the Housing and Neighborhoods Department. Department staff will evaluate the request and submit an analysis and recommendation to Council.

Definitions

For purposes of this policy, the following definitions apply:

1. **Multi-Family Housing** – Housing developments consisting of greater than 24 residential units.
2. **Subsidized Multi-Family Housing** – Any multi-family housing development consisting of greater than 24 residential units financed in whole or in part with local, state or federal financial assistance where the subsidized housing units are restricted to serve households earning 60% or less of the area median income (AMI).
3. **Disabled** – Having a physical or mental disability that substantially limits one or more major life activities, having a record of such impairment or being regarded as having such an impairment.
4. **Elderly** – Housing occupied by one person who is 55 or older in at least 80% of the occupied units.
5. **Concentration of Minority and Low Income Persons** – Census tracts in which the percentage of minority residents equals or exceeds 50% and/or census tracts where the percentage of households living in poverty equals or exceeds 30%.
6. **Concentration of Subsidized Rental Housing** - Census tracts in which subsidized multi-family housing and rental units occupied by households with tenant-based Section 8 vouchers* equals or exceeds 8% of the total rental stock, excluding housing for the elderly or disabled.

*Data provided by RHA in 2014.

Review Procedures

The Housing and Neighborhoods Department shall be responsible for reviewing all proposals for the development of subsidized multi-family housing to determine compliance with this Policy.

Policy Updates

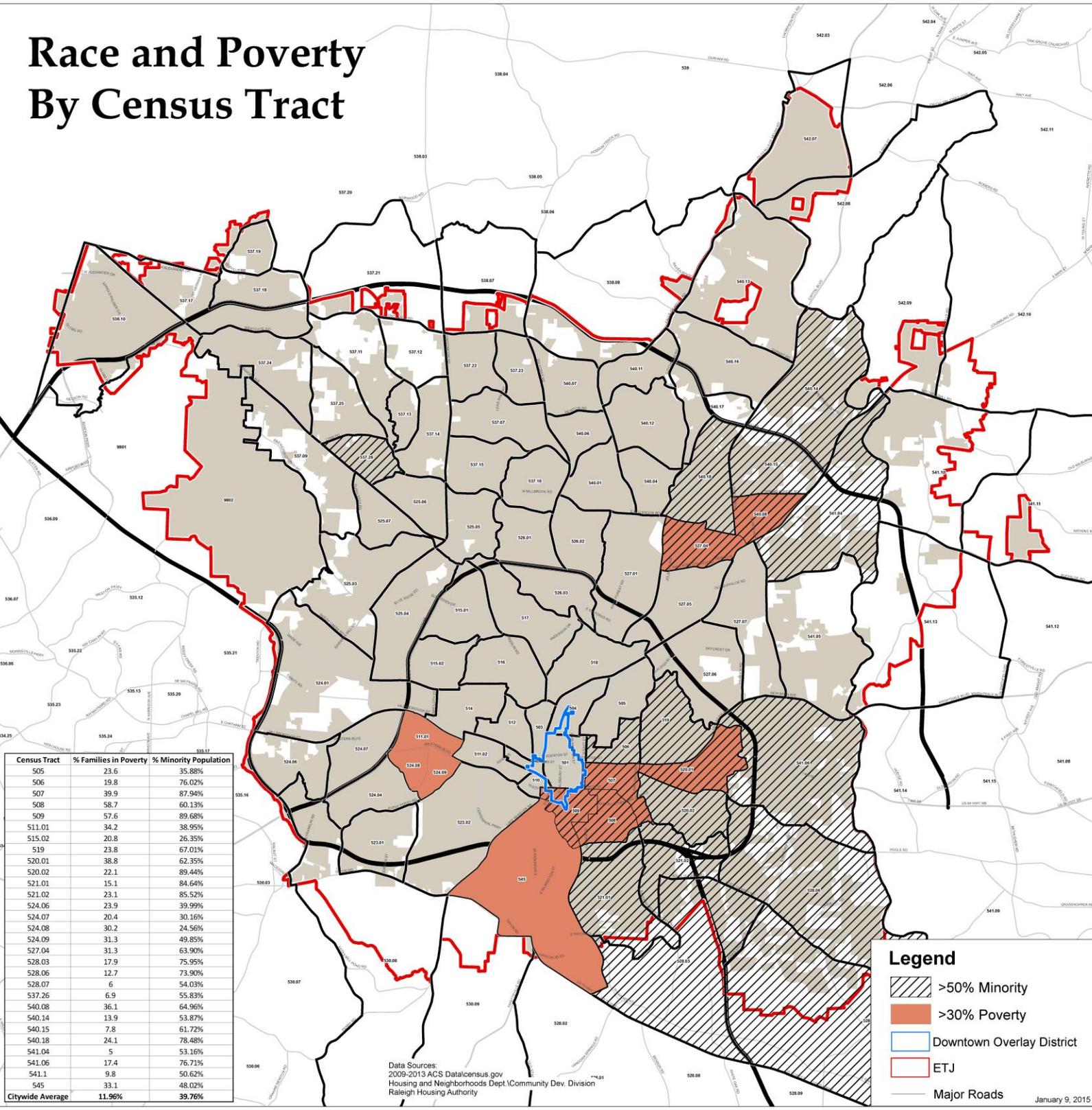
Maps depicting areas of concentration will be updated not less than every five years in conjunction with updates or revisions to the Housing Element of the Comprehensive Plan.

Attachments

Race and Poverty by Census Tract (Map)

Concentrations of Subsidized Rental Housing by Census Tract (Map)

Race and Poverty By Census Tract



Census Tract	% Families in Poverty	% Minority Population
505	23.6	35.88%
506	19.8	76.02%
507	39.9	87.94%
508	58.7	60.13%
509	57.6	89.68%
511.01	34.2	38.95%
515.02	20.8	26.35%
519	23.8	67.01%
520.01	38.8	62.35%
520.02	22.1	89.44%
521.01	15.1	84.64%
521.02	23.1	85.52%
524.06	23.9	39.99%
524.07	20.4	30.16%
524.08	30.2	24.56%
524.09	31.3	49.85%
527.04	31.3	63.90%
528.03	17.9	75.95%
528.06	12.7	73.90%
528.07	6	54.03%
537.26	6.9	55.83%
540.08	36.1	64.96%
540.14	13.9	53.87%
540.15	7.8	61.72%
540.18	24.1	78.48%
541.04	5	53.16%
541.06	17.4	76.71%
541.1	9.8	50.62%
545	33.1	48.02%
Citywide Average	11.96%	39.76%

Data Sources:
 2009-2013 ACS Data/census.gov
 Housing and Neighborhoods Dept./Community Dev. Division
 Raleigh Housing Authority

Legend

- >50% Minority
- >30% Poverty
- Downtown Overlay District
- ETJ
- Major Roads

January 9, 2015

Subsidized Housing Units By Census Tract

Census Tracts with > than 8% Subsidized

Census Tract	% Rentals Subsidized
520.02	8.29%
545	8.47%
504	9.41%
540.15	11.42%
540.14	12.43%
521.02	13.75%
509	17.17%

Data Sources:
2009-2013 ACS Data/census.gov
Housing and Neighborhoods Dept./Community Dev. Division
Raleigh Housing Authority

Legend

- >8% Rentals Subsidized
- Downtown Overlay District
- ETJ
- Major Roads

January 9, 2015



City of Raleigh Housing & Neighborhoods Department



Affordable Housing Improvement Plan



FY 2016-FY 2020



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Introduction

The Raleigh City Council adopted this Affordable Housing Improvement Plan on October 20, 2015.

Increasing the supply of affordable housing and neighborhood revitalization are major objectives of the City's recently-adopted Strategic Plan. Despite previous efforts, the percentage of Raleigh's households who are "cost burdened" has continued to increase. The Affordable Housing Improvement Plan lays out seven "options" to address the City's housing needs in a more aggressive fashion. These options are:

1. Expand the use of the 4% Tax Credit for Affordable Housing Allocated through the North Carolina Housing Finance Agency
2. Site Acquisition Assistance for Affordable Rental Development: Provide Financial Resources
3. Infill Homeownership Development Program: Provide Financial Resources
4. Affordable Rental Preservation/Creation through 0% Forgivable Loans to Developers
5. Downtown Neighborhoods Revitalization Plans for Specific Areas of Focused City Investment
6. Homeless Coordinated Intake Center and Expansion of Housing Supply: Creation of an Intake Center and Providing More Permanent Supportive Housing
7. Permanent Affordable Housing Funding Source: Find Sustaining Sources of Funding

City of Raleigh Housing & Neighborhoods Department Affordable Housing Improvement Plan FY 2016-FY 2020

The City of Raleigh has an established track record in supporting the creation of affordable housing and the expansion of housing choices for owners and renters at all income levels. In addition to targeting HUD entitlement funding towards affordable housing production and neighborhood revitalization, the City has issued local affordable housing bonds to provide additional resources with the most recent being \$16 million in bond authority approved by the voters in 2011. Increasing the supply of affordable housing and neighborhood revitalization are major objectives of the adopted Strategic Plan.

Despite these efforts, the percentage of Raleigh’s households who are “cost burdened” has continued to increase. With Raleigh being tagged with multiple accolades as a “Best City,” millennials, baby boomers and residents from other parts of the country are relocating to Raleigh, creating a high demand for housing in and around downtown and in other areas of the City. Housing once considered affordable is increasingly being acquired and renovated for higher income occupancy or redeveloped to suit these higher income individuals and families.

Definition of Affordable Housing

Affordable housing is a key factor in community vitality and continued economic growth.¹ Affordable housing provides stability for families, improves opportunities for education and career advancement, and reduces the risk of homelessness for households that are dependent on low wages or fixed incomes.

Different people and organizations define affordable housing in different ways. For this plan, the definition of affordable housing is total housing cost (rent or mortgage and utilities) that is no more than 30% of a household’s income.

In North Carolina, an affordable housing “project” is one where at least 20% of the units are affordable to and occupied by households with incomes at or below 80% of the area median income. Local units of government may subsidize residential development for the public purpose of affordable housing as long as this minimum threshold is met.

Creation of Affordable Rental Housing

The most frequently used and most cost-effective mechanism for the creation of affordable rental housing is the Low Income Housing Tax Credit (LIHTC) program of the Internal Revenue Service. In North Carolina, that program is administered by the North Carolina Housing Finance Agency (NCHFA) and is governed by the Qualified Allocation Plan (QAP) which is subject to modification and review annually. Based on a formula, the state is allocated a lump sum of available credits each year. Through the QAP, the credits available for new construction are then allocated to four geographic regions: West (16%), Central (24%), East (23%) and Metro

¹ City of Raleigh Comprehensive Plan 2030

(37%). The Metro region is comprised of the seven most populous counties in the state. Each of those metro counties is then “allocated” a percentage of available credits based on population. In the current QAP, Wake County is allocated 26.13% of the total available Metro credits. With intense competition, Wake’s allocation is typically awarded in full. Generally speaking, what that means is that Wake could receive more credits and thus more affordable units only if the allocation to another Metro county was not fully requested.

In years past, local units of government were able to exert considerable influence over which projects were awarded tax credits. Points were awarded for site donation, the amount of local subsidy per unit and for being a part of a community revitalization effort such as HOPE VI. About three years ago, the QAP was changed to eliminate those opportunities for local government influence and to eliminate “subjective” site score considerations.

Under the current QAP, all proposed Wake County projects must essentially earn a perfect site score and not have points deducted for per unit cost to have a chance of being awarded credits. (In most instances, the QAP limits construction costs per unit at the time of application to \$66,000). In the event two or more projects earn the same score, the first “tiebreaker” used by NCHFA is the least amount of tax credits requested on a per unit basis.

Because of the need to earn a perfect site score, projects located in challenged downtown neighborhoods are competitive only for a “redevelopment project set aside” that was created by NCHFA to restore some local government ability to incorporate such projects in neighborhood revitalization efforts. The current QAP guarantees three such projects in the state. Under the set aside, the local unit of government must have adopted a revitalization plan and must commit at least \$750,000 to the project. As it looks to redeveloping the Washington Terrace site using 9% LIHTC, DHIC will need to compete within this set aside. It is for this reason that a Neighborhood Revitalization Strategy Area (NRSA) plan and designation is proposed for the East College Park area. Looking ahead to South Park and portions of the Garner Road redevelopment area, the NRSA designation (or another formally adopted local plan) will be a prerequisite to LIHTC developments in those downtown locations.

With the LIHTC program, a significant portion of the total project cost is covered by tax credit equity. For the two family projects recommended for funding in the spring of 2015, equity accounted for 64.66% and 74.38% of the total cost or an average of \$103,296.50 per unit. This latter figure represents the minimum amount the City would have to invest in the form of a grant or non-amortizing loan on a per unit basis to create comparable affordable rental housing in the absence of the LIHTC program. The combined \$2,650,000 in City and County funds committed to these two projects will result in the leverage of \$20,962,513 in other funding or just over \$7.91 in other funding for each public dollar invested.

NCHFA also offers a 4% LIHTC that is combined with low interest bonds which is discussed in more detail later in this document. The most recent such project locally is the Bluffs at Walnut Creek which was approved by Council this past fall.

The other rental program administered by NCHFA is the Supportive Housing Development Program which serves persons with special needs who require supportive services. The maximum funding per project is \$500,000 in the form of 0% matching loans. CASA's recently completed second phase of Hull's Landing on Sunnybrook Road is an example of this type of project.

HUD entitlement funds received by the City and proceeds from voter approved bonds have been and continue to be used to support the creation of affordable rental housing. Often HUD HOME or local bond funds are used to provide the "soft" loans to LIHTC projects to close the final financial gap. Frequently, Wake County participates in the financing of affordable housing projects located in the City.

National and State Perspectives

Affordable housing has long been an issue throughout the nation. There are many different models and differences in state laws. A few examples are provided below.

Montgomery County, MD: Montgomery County, MD (population: 1 million +) was one of the first communities to adopt mandatory inclusionary zoning in 1976. In the simplest of terms, new developments above a certain unit count threshold must include a percentage of affordable housing or a fee in lieu payment is required. Since its inception, the Montgomery County ordinance has produced an annual average of 252 homeownership and 118 rental units through the end of 2013. In its 2008 Affordable Housing Plan, the County focused on both affordable housing preservation and creation. With respect to preservation, the plan called for a property acquisition fund to purchase the acquisition of at-risk affordable rental properties and the creation of a revolving equity fund, supplemented by housing bonds, to provide long-term permanent financing for the acquisition, preservation or construction of affordable housing units. To increase the creation of more affordable units above the required minimum, the plan called for developer incentives including design flexibility, an expedited review process, density bonuses, fee waivers and reduced parking requirements.

Denver: Many other communities, primarily in high cost markets, followed Montgomery County's lead. In many instances however, developers have increasingly chosen the fee in lieu option which has led to more aggressive steps to actually create affordable housing. In response to an inclusionary zoning ordinance which failed to produce a significant number of units, the City of Denver amended its ordinance in January 2015 to provide developer incentives that include funds to acquire land or property and finance construction. Denver also offers cash incentives for the creation of affordable housing in priority areas in addition to offering density bonuses and reductions in parking requirements.

(Note: Mandatory inclusionary zoning is not allowed in North Carolina although the towns of Chapel Hill, Davidson and Manteo have adopted local ordinances. In all three locations, the ordinance is applicable only to homeownership units and developers have the fee in lieu payment option which they frequently choose.)

Atlanta: Another frequently mentioned tool for the creation of affordable housing is Tax Increment Financing. In the Southeast, one of the most ambitious applications of this tool is the Atlanta Beltline project. The Beltline project includes the introduction of a 22-mile transit system, a 33-mile trail network, 2,000 acres of new or restored open space, historic preservation and 28,000 new residential units. The project is funded in part with bonds issued in anticipation of the new development that would occur, generating increased property taxes from which an increment would be captured for debt service. Atlanta's goal is to create 5,600 affordable housing units over a 25-year period using 15% of the bond proceeds dedicated to an affordable housing trust fund. The trust fund is used to create and preserve both owner occupied and rental housing and provide direct assistance to homebuyers and incentives to affordable housing developers.

(Note: While Tax Increment Financing (TIF) is allowed in North Carolina, there are significant limitations on its use. In its true form, a TIF can only be used to fund infrastructure improvements within the TIF district. Because of that restriction, one or more variations of a "Synthetic TIF" is most frequently utilized in the state on a project specific basis and usually for economic development. An example of a "Synthetic TIF" is when property tax revenue paid by a specific development is partially returned for some period of time as an Economic Development Grant.)

Seattle: In 2009, Seattle voters approved a seven year property tax levy with the goal of generating \$145 million to "provide, produce and/or preserve" affordable housing. With the exception of 6.2% of the funds which are used to provide deferred loans to first time homebuyers and 9.0% of funding used for administration, the focus of the program is the production or preservation of affordable rental housing with the majority of the funding targeted to households with incomes at or below 30% of the area median income (AMI). The remaining rental development funds may serve households with incomes up to 80% AMI. Included in the plan was short term funding to allow strategic acquisition of sites for affordable housing.

Since Seattle's Rental Production & Preservation Program fund is so heavily weighted towards serving households with incomes at or below 30% AMI through funding construction or rehabilitation, a separate program, Operating and Maintenance, was created to make that viable. Through that program, Seattle has committed to provide operating subsidies to the owners of such properties for a period of 20 years to supplement the limited rental income received. In the current year, \$1,757,750 (9.9% of total funding) is budgeted for this purpose.

About 2.9% of Seattle's levy is used to provide rental assistance to households with incomes at or below 50% AMI who are homeless or at risk of becoming homeless because of inadequate financial resources. Assistance is limited to a maximum of six months.

Seattle also has the highest number of "micro-dwellings" in the country. A micro-dwelling is an efficiency unit as small as 220 square feet.

Charlotte: Closer to home and with the goal of creating 5,000 affordable housing units, the City of Charlotte adopted a plan to issue housing bonds of \$15 million each in 2014, 2016, 2018 and 2020. That City's Housing Diversity program consists of six supporting programs intended to address a continuum of housing needs from homelessness to homeownership. In brief, those programs are as follows:

- **Housing Locational Policy Acquisition Program** to support the development of affordable multi-family units in permissible areas as defined by the City's revised affordable housing location policy.
- **Tax Credit Set Aside Program** to provide funds to developers under the LIHTC program.
- **Supportive Services Housing Program** to provide funds for developments which further the goals of the Ten Year Plan to End and Prevent Homelessness.
- **Incentive-Based Inclusionary Housing Program** to encourage development of affordable housing by the private sector.
- **Single-Family Foreclosure/Blighted Acquisition and Rehabilitation Program** to assist non-profit developers with the acquisition and rehabilitation of foreclosed or blighted single-family properties.
- **Multi-Family Rehabilitation and Acquisition Program** to provide funds to acquire and renovate housing units in areas having high vacancy rates or financial distress.

Affordable Rental Housing and Construction Cost Considerations

As noted in the preceding section, NCHFA establishes maximum per unit construction costs assumptions in the LIHTC application process. At the same time however, the QAP also is very specific about requiring quality, energy-efficiency and appealing design and architectural elements in the housing built under that program. Put simply, the objective is to ensure that "affordable housing" looks no different from market rate development. What these requirements essentially dictate is low-rise stick-built construction, most always with surface parking. Using an automobile analogy, NCHFA is looking to fund a Chevy: it's safe, reliable, has room for family members and is economical to maintain.

Moving up the construction cost continuum to stick-built construction incorporating structured parking changes the automobile to a Mercedes. Because of styling, performance, comfort or any number of reasons, some consumers choose to pay more to drive a Mercedes although a Chevy would have met their basic transportation needs. As a practical matter, the development type referenced here typically occurs in areas of high land costs because of the need to spread that cost over as many units as possible.

When building height dictates concrete and steel construction, the automobile becomes a Maserati. This car is not built for the masses and only a few buyers can afford it. Buying a Maserati is a lifestyle and financial choice that some consumers make knowing fully well that a Chevy would have met their basic transportation needs.

This overly simplified automobile analogy is offered to provide additional perspective in the larger policy consideration of affordable housing at the higher end of the construction cost continuum, i.e., mid to high rise buildings in downtown or other locations. Few would argue that subsidizing ownership of a Maserati for low to moderate income households would be good public policy from any perspective. One could argue however that subsidizing land acquisition costs for affordable housing in targeted locations (including parts of downtown) where conventional stick-built construction is consistent with the Comprehensive Plan and other local goals is good public policy.

Housing and Neighborhood Need

The chart below depicts low to moderate-income renter and homeowner households by income group who are cost burdened. For the period depicted, Raleigh had approximately 84,072 homeownership units and 70,605 rental units in total. The data clearly points to affordable rental units as being the most significant of housing needs. Approximately 45% of the City’s rental stock was occupied by low to moderate-income households who were paying more than 30% of income towards housing expenses and approximately 23% of those households were paying more than 50% of income for housing expenses. Elderly households account for approximately 11% of the cost burdened renters. Not surprisingly, renter households with incomes at or below 50% of the area median income account for 82% of all cost-burdened households.

In contrast, only about 15% of the City’s homeownership units were occupied by low to moderate income households who were cost-burdened. Although not shown in the chart below, the elderly account for approximately 25% of the cost burdened homeowners.

Cost Burdened Renters by Income	Housing Expense Exceeds 30% of Income	Housing Expense Exceeds 50% of Income
Income <= 30% AMI	14,290	12,300
Income >30% to <=50% AMI	11,830	3,640
Income >50% to <=80% AMI	5,789	489
Total	31,909	16,429
Cost Burdened Homeowners by Income	Housing Expense Exceeds 30% of Income	Housing Expense Exceeds 50% of Income
Income <= 30% AMI	3,003	2,473
Income >30% to <=50% AMI	3,448	1,888
Income >50% to <=80% AMI	6,486	1,884
Total	12,937	6,245

Source: 2006-2010 CHAS

Although Raleigh is relatively affluent compared to most North Carolina communities, many households have not shared in that prosperity. According to the 2009-2013 5-year estimate of the American Community Survey, 11.8% of households and 16.2% of persons living in the City of Raleigh were living in poverty. In addition, the annual Point-In-Time Count revealed 1,170 persons that were homeless in 2014.

Despite past investments by the City in former redevelopment areas and private investment in formerly challenged neighborhoods near downtown, much work remains to achieve the desired objective of creating walkable, mixed-use and mixed-income neighborhoods. A significant number of privately held blighted properties remain standing and a substantial amount of City-owned property acquired and cleared in years past still awaits redevelopment. Immediate priorities are East College Park and South Park/Garner Road. However, there are challenged neighborhoods in Southwest Raleigh and in other parts of the City where intervention might be required to reverse current market trends.

Recent Production by the City of Raleigh

The City of Raleigh has operated affordable housing programs since it became an entitlement community in the 1980s. The City has funded programs supporting the entire continuum of housing from assisting households experiencing homelessness and at-risk of homelessness, to the development of affordable rental housing and homeownership assistance. The Community Development Division (CD) of the Housing and Neighborhoods Department administers both federal and local funds to promote the preservation and production of affordable housing, and to address homelessness and other community needs of low- and moderate-income residents of the City. Most of the funding for these programs is from the U.S. Department of Housing and Urban Development (HUD): Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Solutions Grant (ESG). The City also spends affordable housing bond funds for several of these programs. Raleigh's current programmatic offerings are as follows:

Loans to Developers of Affordable Housing

CD offers a variety of opportunities for non-profit and for-profit developers to receive financing at below-market rates to provide affordable rental or ownership housing for low-and moderate-income residents. These opportunities include an annual Request for Proposals for the production of new affordable apartments or rehabilitation of existing apartments. CD maintains an "apply at will" application process for special needs housing (such as for those emerging from homelessness).

Neighborhood Revitalization Activities

Raleigh has several former redevelopment areas near its downtown area that contain significant numbers of blighted rental housing. In past years, CD has spent an annual average of \$1 million acquiring/demolishing such units and relocating any tenants to standard quality housing of their choosing. The City's investments in revitalizing these areas have also typically included infrastructure improvements such as new water, sewer, and stormwater systems,

streets and sidewalks. Sources of funds annually include Community Development Block Grant (CDBG) and the city's affordable housing bond.

Affordable Infill Housing

After a critical mass of lots are assembled and needed site improvements are completed, requests for proposals are issued to sell the lots to one or more affordable housing builder. In past years, 20 or more lots have typically been sold as sites for affordable infill housing occupied by low- and moderate-income families. In summer 2015, CD expects to make 39 lots available for sale for affordable single-family housing to be occupied by low- and moderate-income owners. (Note: On a relatively infrequent occasion, lots are sold for purposes other than affordable housing. One recent example was a downtown lot that was essentially an outparcel in an otherwise privately-owned assemblage slated for higher density development. Another example was a lot whose dimensions could not accommodate a traditionally designed single family home. Lots are also sometimes sold in conjunction with historic preservation efforts.)

First Time Homeownership/Second Mortgage Loans/Education

Eligible first time moderate-income families may purchase a house in Raleigh with a low-interest loan for up to \$20,000 for downpayment and closing cost assistance. The interest rate is 0% for the first five years, then 4% for the remaining 25 years. Private lending institutions provide the first mortgages to each borrower. HOME and housing bond funds are used for these programs. CDBG is used to support homebuyer education through a HUD-certified training entity.

Housing Rehabilitation Loans

CD has a variety of assistance available to low- and moderate-income persons needing to make repairs to their home. This assistance includes limited repair loans, loans for major repairs for elderly households repaid only when the unit is sold (no monthly payments), and low-interest rate rehab loans and rehab/purchase combined loans. The interest rates range from 0% to 3%. HOME and bond funds are used for these programs.

Community Enhancement Grants and Job Training Assistance

CD annually offers up to \$175,000 CDBG public services funding to local nonprofit organizations through the Community Enhancement Grant RFP process. Community Enhancement Grants are awarded to nonprofit organizations for public and human services in low- and moderate-income areas of the City or to meet the needs of specific populations. Applications are reviewed and scored based on the soundness of the program proposal, fiscal responsibility of the organization, the mission and track record of the organization, and other program requirements. CD also helps fund a construction trades apprenticeship program, providing job skills for low-income youth.

Affordable Rental Opportunities

CD maintains a portfolio of up to 200 housing units available at affordable rents for families at or below 50% of the area median income. The City's uses a private management company to

select tenants and manage and maintain the units, which are scattered across the City. Mostly bond funds are used to administer this program.

Emergency Solutions Grant

The City of Raleigh annually receives from HUD a grant of over \$200,000 for addressing the needs of its homeless population. In recent years CD has distributed these funds to local nonprofit organizations through an RFP process. Nonprofits use the funds to for rapid re-housing, homelessness prevention, and emergency shelter activities.

The chart below depicts annual average accomplishments over the past five years by the City’s programmatic offerings. A homeless “household” can be a single individual or one or more parents with children.

Programmatic Tool	5 year annual average
<i>Homelessness to Homeownership Continuum</i>	
Homeless households assisted with rapid re-housing	59 households
Households at-risk of homelessness assisted with homelessness prevention	51 households
Homeless persons assisted with emergency shelter	1,544 persons
Emergency shelter development	21 beds*
Permanent supportive housing	14 units
Affordable rental development	137 units
Limited repair homeowner loans	35 households
Homeowner rehabilitation/replacement loans	15 households
Second mortgages for homeownership	60 homebuyers
Homeownership development	7 units

*Shelter beds added past two years

Future Goals

The recently adopted Consolidated Plan identified three priorities for the upcoming five-year period:

- Affordable Housing
- Enhancement of the Homeless to Housing Continuum
- Neighborhood Revitalization

Given those priorities and the documented need for easing cost burden, the Housing and Neighborhoods Department proposes to focus on two of the programmatic areas to significantly boost production over the next five years. Much of that production would be components of neighborhood revitalization initiatives. (Production levels in all other programmatic areas would remain relatively constant.) Achieving a boost in production requires providing new tools or programmatic offerings and modifying some existing ones based on best practices from other areas and local needs and opportunities.

As noted above, the average annual production of affordable rental housing has been 137 units and for homeownership development, the annual average production has been only 7 units. Depending on whether at least some if not all of the implementation options proposed in this draft plan are made operational, it would be possible to increase homeownership production by a significant multiple and to increase the number of affordable rental units by a substantial percentage.

Of equal importance to the number of new rental or homeownership units created is the location of those units. Policies and programs that facilitate locations near future transit improvements and in close proximity to downtown are fundamental components of this plan. On September 1, 2015, City Council adopted a new Affordable Housing Location Policy to replace the Scattered Site Policy which had been in place for many years.

In the draft of this Plan presented to City Council in June, numerous options for increasing the production of affordable housing and advancing other housing and neighborhood objectives were put forth. Moving forward in implementing all of them is recommended.

Option 1: Expand the use of the 4% Tax Credit

The affordable rental development production depicted above largely reflects Low Income Housing Tax Credit (LIHTC) projects that have been completed in the City. In North Carolina, the distribution of LIHTC is governed by the Qualified Allocation Plan (QAP) of the North Carolina Housing Finance Agency (NCHFA). Given that Wake County's pro rata share of credits is typically awarded in full, the 9% LIHTC program does not represent an option for increasing production above past levels. However, the 4% tax credit which is coupled with housing bonds is a separate program administered by NCHFA which is rarely fully utilized.

The recently approved Bluffs at Walnut Creek is an example of the 4% credit, bond opportunity. That 198 unit project has a total estimated development cost of \$30,051,605. Project financing consists of \$19,550,000 in low interest tax exempt bonds and \$7,558,664 in tax credit equity with the balance (\$2,942,941) coming in one form or another from the developers. Reasons such projects are not undertaken more often include the high cost of bond issuance and the gap which the developer's must cover. The 4% tax credit program allows up to 200 units per project and most developers undertake projects towards the maximum allowed unit range in order to be able to spread issuance and other related costs over as many units as possible. Shortfalls of the program include limitations on deep income targeting (most units are at the 60% AMI rent level) and the inability to include market rate units. On the plus side however, the 4% credit does bring with it equity making the moderate affordability possible. For the Bluffs at Walnut Creek, the equity was \$38,175 per unit.

Raleigh has not historically sought to attract developer interest in the program by offering an application process through which developers could seek assistance in covering some portion of the permanent financing not covered by equity and bonds. NCHFA typically holds two

application cycles annually. This plan proposes an open application window for requesting City assistance.

Option 2: Site Acquisition Assistance for Affordable Rental Development

By its very nature, the Low Income Housing Tax Credit program encourages developers to seek out land which is as inexpensive as possible while still meeting the program's basic site requirements. Given that it is a priority to locate affordable housing near future transit improvements, downtown neighborhoods and parts of the City that are underserved, assistance will be required in some cases to write-down land acquisition costs. The proposal is to include as a part of the application process for gap financing associated with tax credit projects (whether 9% or 4%) the opportunity to also request a full or partial acquisition cost write-down in the form of a grant. In the application, developers would have to substantiate the "were it not for" case. Only projects also subject to City secondary construction to permanent financing loans would be eligible for site acquisition grant.

In some instances, it would also be prudent for the City to acquire and land bank sites for future development, particularly near future transit improvements.

Option 3: Infill Homeownership Development Program

This program would provide experienced non-profit and for profit developers the funding to acquire vacant infill sites or existing vacant and deteriorated properties for affordable homeownership development serving households with incomes at or below 80% AMI. With respect to existing deteriorated properties, either rehabilitation or demolition/new construction may be proposed unless the property is located within a local or national historic district. In such districts, only rehabilitation in accordance with appropriate standards governing exteriors would be allowed.

Assistance would be in the form of a 0% loan which could be partially or fully forgiven upon the sale of the home to a new owner depending on the sales price and appraisal. To request funding, applicants must demonstrate that the total cost of acquisition, demolition and new construction exceeds the anticipated sales price because of market conditions in the proposed location. Write-downs may not be used to subsidize the sales price below that of comparable units. The maximum sales price will be the HUD HOME Program purchase price limit which is currently \$202,000.

It is anticipated that Habitat for Humanity of Wake County to be a primary user of this program.

Option 4: Affordable Rental Preservation/Creation

This program would provide gap financing in the form of 0% forgivable loans for the acquisition and rehabilitation/preservation of existing rental units for mixed-income occupancy. Non-profit or for profit developers may also request funding for new construction on vacant infill lots or on sites currently having dilapidated structures not feasible for rehabilitation. The intent of providing City funds in the form of a forgivable loan and allowing for mixed-income is to

maximize the leveraging of private investment. At least 40% of the units would be reserved for tenants with incomes at or below 50% AMI with rents governed by the “Low” HOME rent limits. The remaining tenants would not be income restricted. A minimum leverage ratio of 1:1 would be required, i.e., one dollar of private investment for each dollar of public investment. Preference would be given to properties that have begun to deteriorate but remain structurally sound or to those at risk of demolition/redevelopment given their location and market conditions.

In lieu of preserving existing units, affordability may be maintained through redevelopment (i.e., the Washington Terrace model) when existing units have become functionally obsolete and the Comprehensive Plan calls for higher densities. In such instances, the redevelopment would occur as a public/private partnership governed by a development plan approved by City Council.

Option 5: Downtown Neighborhoods Revitalization Plans

The initial phase of this strategy involves the completion of individual plans for East College Park and Washington Terrace and then combining plan elements into one Neighborhood Revitalization Strategy Area (NRSA) plan for HUD approval no later than December 2015. Build out of the two sites is expected to create approximately 600 mixed-income rental and homeownership units. The NRSA plan will also include rehabilitation and repair assistance tailored to the needs of existing East College Park homeowners.

The second phase of the strategy will focus on South Park and portions of the Garner Road redevelopment area for the development of a NRSA plan in that location. The City has significant land holdings in the Garner Road area and additional acquisition needs remain. Mixed-income homeownership and rental development are contemplated.

Option 6: Homeless Coordinated Intake Center and Expansion of Housing Supply

The City of Raleigh, Wake County and the Raleigh/Wake Partnership to End and Prevent Homelessness have envisioned the development of a coordinated intake center to serve the homeless and those at risk. A facility of approximately 17,000 square feet is needed based on a space needs study commissioned by the City and County. Completion by 2018 is projected.

To expand the supply of permanent supportive housing, the City will more aggressively solicit development proposals from local non-profits that serve formerly homeless populations. In addition to providing permanent financing, typically combined with funding from Wake County and NCHFA, funding in the form of a grant or partial cost write-down to acquire desirable sites near transit options and services may be requested as a part of the revised application process.

A proposed new initiative is to conduct a feasibility study on the development of a 24-40 unit studio apartment project in or near downtown. A major aspect of the study will be determining how to structure the project financially. The NCHFA Supportive Housing Development program

typically funds smaller projects of 12 or fewer units and provides a maximum of \$500,000 per project. Under the QAP, a downtown LIHTC project would not be competitive; therefore determining whether and how to develop a “revitalization plan” that would satisfy the requirements of the redevelopment project set aside would be a major work element.

Option 7: Permanent Affordable Housing Funding Source

Currently, there is sufficient funding in place from the previous affordable housing bond in 2011 to initiate the new programmatic offerings. To sustain them over time however, a sustaining source of funding will be required. What this plan proposes is to use the first two years of implementation to assess what works well, what efforts should be expanded and what, if any, new tools might be desirable to achieve desired outcomes. In conjunction with this assessment, the plan proposes a thorough evaluation of future funding sources. Essentially there are three primary options that might be considered individually or combined:

- Synthetic TIF District: Alternative one would involve the creation of a synthetic Tax Increment Financing District covering the downtown area where some portion of the incremental increase in tax revenue associated with new development is captured for an affordable housing fund.
- General Fund Allocation: Alternative two would involve an allocation of general funds for affordable housing. (Durham created a dedicated housing fund to which an amount equal to one cent on the tax rate is contributed annually.)
- Scheduled Bond Issuances: Alternative three would be affordable housing bond issuances on a set schedule as Charlotte has done.

Future Implementation Steps

- Solicit applications from affordable housing developers for 4% tax credit projects (Option 1) beginning with NCHFA’s January 2016 pre-application cycle.
- Proceed with developing guidelines necessary to make Site Acquisition Assistance for Affordable Rental Development (Option 2), the Infill Homeownership Development Program (Option 3) and Affordable Rental Preservation/Creation (Option 4) operational by FY 17.
- Coordinate with Finance and others to further develop options and associated funding levels for Permanent Affordable Housing Funding Source(s) (Option 7) and the associated affordable housing production goals as a part of the FY 17 budget preparation process.

Affordable Housing Implementation Plan Illustrative Option Chart

Implementation Options	Summary of Comments Received. (Overall, very strong support.)	Status, Readiness or Next Steps	Budget or Capitalization	5-Yr Production Goal (if applicable)	Estimated cost per unit	Comments
Option 1 Expand use of 4% Tax Credit	Strong support.	Successful launch of 4% bond program with approval of Village at Washington Terrace. Staff in receipt of two additional applications for funding totaling \$3.9M.	\$25,000,000	625	\$40,000	Comment from tax credit developer: "The biggest bang for the City's buck is to encourage 4% LIHTC/Tax Exempt Bond transactions". Bond deals are more expensive, have less equity and more debt, therefore higher rents. Greater City subsidy helps to reduce rents.
Option 2 Site Acquisition Assistance for Affordable Rental Development	No specific comments received.	Staff to develop guidelines so program is operational in FY 2017.	Included in Option 1	Included in Option 1	N/A	Suggestion to meet with group of LIHTC developers to brainstorm ways to facilitate the availability of competitive sites for affordable rental housing.
Option 3 Infill Homeownership Development Program	Strong support. Suggestion to expand program to include rental development. (Note: Option 5 provides the ability to accomplish that.)	Staff to develop guidelines so program is operational in FY 2017.	\$1,500,000	50	\$30,000	Program supported with Federal funds
Option 4 Affordable Rental Preservation/Creation	Allow for market rate units to help subsidize lower-rent units; do not use high HOME rent limits for units serving 60% to 80% AMI tenants. Staff agrees with both recommendations.	Staff to develop guidelines so program is operational in FY 2017.	Included in Option 1 above and ongoing JVR Program below	Included in Option 1 above and ongoing JVR Program below	N/A	
Option 5 Downtown Neighborhood Revitalization Plans	Strong support for holistic approach.	Neighborhood Revitalization Strategy Area (NRSA) Plan pending HUD approval	Included in Ongoing Neighborhood Revitalization Program below	N/A	N/A	Involves activities such as property acquisition, relocation, demolition, design planning and site improvements, including infrastructure, and property disposition.
Option 6 Homeless Coordinated Intake Center and Expansion of Housing Supply	No specific comments received.	Intake Center operator selected. MOA defining roles in making the center operational prepared.	\$0	N/A	N/A	Funds totaling \$1,648,000 are budgeted in FY16
Option 7 Permanent Affordable Housing Funding Source	Advocacy for synthetic TIF and accelerated timeframe.	Staff to coordinate with Finance in further developing scenarios for Council consideration.	\$0	N/A	N/A	
Ongoing Programs	Program description					
Joint Venture Rental - 9% credits and other	Annual grant program that works in tandem with NCHFA and County Housing Department	Ongoing	\$4,250,000	375	\$11,333	Suggestion to target lower income, down to 40% AMI. Suggestion to fast track building and other permits that involve City funding. Also, suggestion to provide some relief with permit fees, tap and impact fees. Program supported with federal funds.
Homeowner Rehab	Provides rehab funds to low/mod homeowners to preserve affordable housing	Ongoing	\$6,750,000	100	\$67,500	Strong support for continued rehab program.
Homeowner Limited Repair	Provides limited repair for low/mod homeowners to address immediate issues	Ongoing	\$1,500,000	175	\$8,500	Program supported with Federal funds
Homebuyer Assistance	Provides low interest 2nd mortgage financing for downpayment assistance to low/mod homebuyers	Ongoing	\$6,000,000	300	\$20,000	Program supported with Federal funds
Neighborhood Revitalization	Acquisition, Tenant Relocation, and Demolition Activities	Ongoing	\$5,000,000	N/A	N/A	Program supported with Federal funds
			\$50,000,000	1,625		

